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In the United States  
Circuit Court of Appeals  
For the Ninth Circuit.

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UNITED STATES OF AMERICA, *ex rel.* FRANCIS E. EVANS,  
as British Consul for the Southern District of Cali-  
fornia and for Arizona,

*Appellant,*

*vs.*

ALEX GRAHAM, alias STRAKOSCH, who gives his true name  
as ALEXANDER STRAKOSCH,

*Appellee.*

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APPELLANT'S OPENING BRIEF.

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S. T. HANKEY,

F. J. FINUCANE,

902 Pershing Square Bldg., Los Angeles,

*Attorneys for Appellant, United States of America ex  
rel. Francis E. Evans, as British Consul for the  
Southern District of California and for Arizona.*

S. T. HANKEY,

G. HAROLD JANEWAY,

*Of Counsel.*

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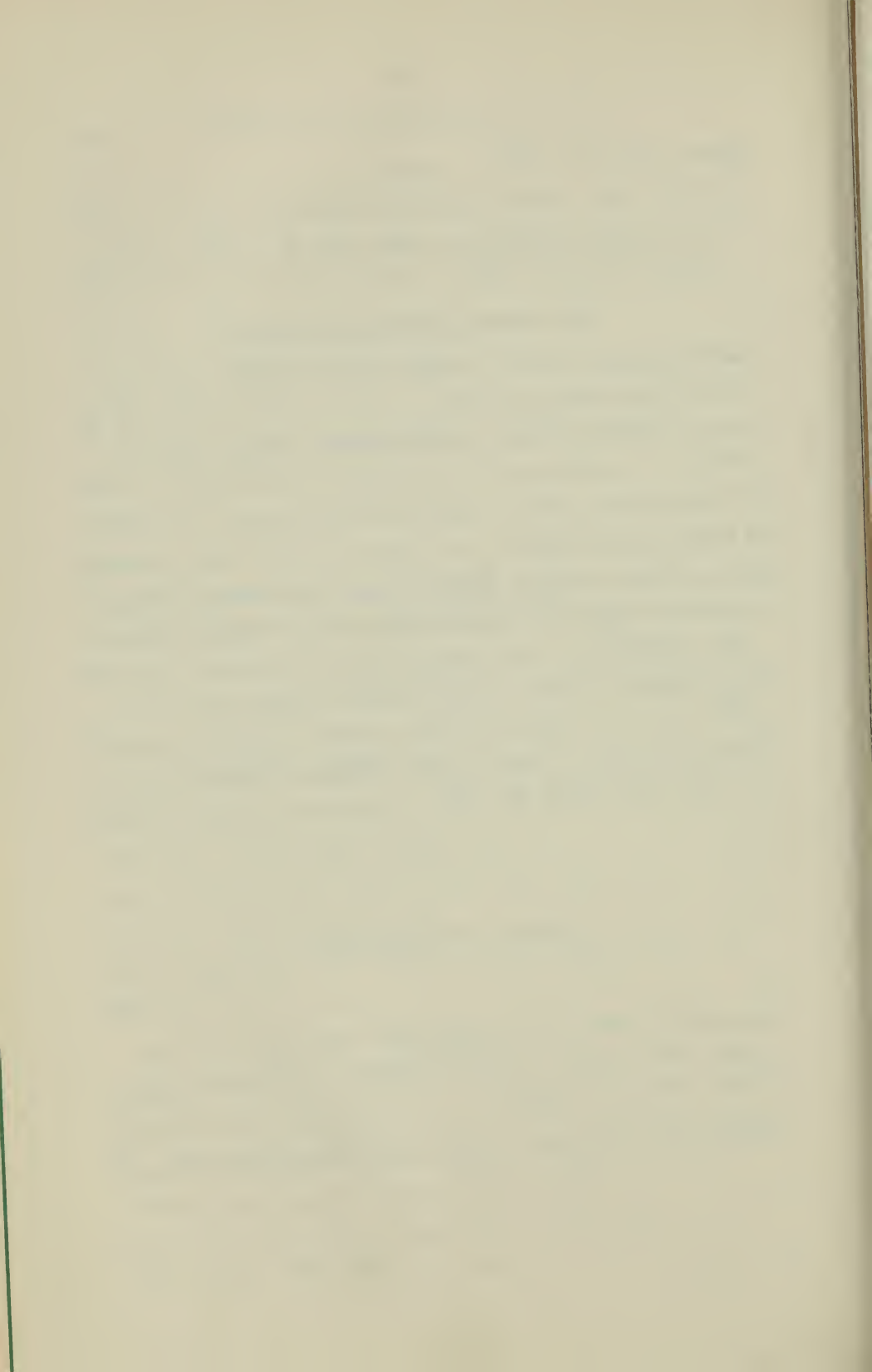
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No. 9166.

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as ALEXANDER STRAKOSCH,

*Appellee.*

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APPELLANT'S OPENING BRIEF. (*Italics ours*)

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Statement of the Pleadings and Facts Disclosing the  
Basis Upon Which the District Court Had Juris-  
diction and the United States Circuit Court of  
Appeals for the Ninth Circuit Has Jurisdiction  
Upon Appeal to Review the Judgment, Decree and  
Order in Question.

This is an appeal of the United States of America, on  
the relation of the British Consul for the Southern District  
of California and for Arizona, from a judgment of the  
Honorable Harry A. Hollzer, Judge of the District Court  
for the Central Division of the Southern District of Cali-

fornia, dated March 18th, 1938, said judgment concluding that appellee Alex Graham, alias Strakosch, who gives his true name as Alexander Strakosch, was entitled to his discharge under a writ of habeas corpus [Tr. p. 169] on the ground of insufficient evidence and from the order of the same date, following on said judgment, ordering his discharge [Tr. p. 170], he being at the time of the issue of the writ held in the custody of the United States Marshal for extradition to Great Britain under a warrant of commitment issued by United States Commissioner David B. Head after a hearing had before him. [Tr. pp. 97 to 119.]

The jurisdiction of the District Court to grant a writ of habeas corpus and to hold hearings thereunder exists by virtue of sections 451 to 462 of chapter 14 of title 28, Judicial Code (U. S. C., 1934 Ed., pp. 1280 and 1281), and the jurisdiction of this Circuit Court of Appeals to entertain this appeal exists by virtue of section 463 *et seq.* of the same chapter. (U. S. C., 1934 Ed., p. 1281.)

The jurisdiction of this Court also rests on the petition for appeal [Tr. pp. 261, 262], the order allowing the appeal [Tr. p. 269], the assignment of errors [Tr. pp. 262 to 268] and the bond on appeal [Tr. pp. 270, 271].

The appellee Alex Graham, alias Strakosch, who gives his true name as Alexander Strakosch, is sought to be extradited under the Dawes-Simon Treaty of 1931, which superseded all the previous extradition treaties between the United States of America and Great Britain. (47 U. S. Stat. at Large, part 2, p. 2122; U. S. Treaties Series No. 849.)

This treaty provided for extradition between the two countries for (*inter alia*):

“17. Fraud by a bailee, banker, agent, factor, trustee, director, member, or public officer of any company, or fraudulent conversion.

“18. Obtaining money, valuable security, or goods, by false pretenses;” (Art. 3.)

It also provides that extradition is also to be granted for *participation* in any of the aforesaid crimes or offenses, provided that such participation be punishable by the laws of both high contracting parties. Article 9 states as follows:

“The extradition shall take place only if the evidence be found sufficient, according to the laws of the High Contracting Party applied to . . . to justify the committal of the prisoner for trial.”

The pleadings necessary to show the existence of the jurisdictions are as follows:

The petition for writ of habeas corpus [Tr. p. 4] which (paragraph 2) set forth very generally the charges against the appellee and alleges (paragraph 3) that there was no legal evidence before the Commissioner sustaining the charges set forth in the warrant of commitment and that there was no sufficient or probable cause to believe the appellee guilty of any of the said charges [Tr. p. 6]; also, the order for the writ to issue, the writ and the return to the writ by the United States Marshal [Tr. pp. 8 to 11]; the traverse of the appellee to the marshal's return [Tr. p. 121], the demurrer of the appellant to such traverse [Tr. p. 122] and the motion of the appellant for the discharge of the writ [Tr. pp. 123, 124] which follow in the usual way and do not call for any special comment.

**Concise Abstract or Statement of the Case Presenting  
the Questions Involved and the Manner in Which  
They Are Raised.**

Appellee Alex Graham, alias Strakosch, who gives his true name as Alexander Strakosch, is alleged to have been involved with one Stanley Grove Spiro, alias "Stanley," alias "Royston," and others in certain bucket-shop frauds perpetrated in London, England.

On September 13th, 1937, a warrant based on the depositions of thirty (30) witnesses was issued in London, England, for the arrest of Stanley Grove Spiro and Alex Graham, otherwise Strakosch, on charges of obtaining valuable securities and money by false pretenses and of fraudulent conversion contrary to the provisions of the English Larceny Act of 1916. [Tr. pp. 247 to 258.]

The appellee, Alex Graham, otherwise Strakosch, was arrested in Los Angeles and brought before Commissioner David B. Head, when he stated that his true name was Alexander Strakosch.

By the second amended complaint [Tr. p. 67], on which the extradition hearing before the Commissioner took place, the appellee Alex Graham, alias Strakosch, who gives his true name as Alexander Strakosch, was charged along with Stanley Grove Spiro with certain offenses, nineteen in number, against the English Larceny Act of 1916 (6 and 7, George V, Chap. 50, English Law Reports; Statutes 1916, p. 139), committed in the city of London, namely, with obtaining money and valuable securities by false pretenses and with fraudulent conversion. [Tr. pp. 74 to 86, par. VIII-A.]

The witnesses, who were some of the victims of the frauds and who testified as to the particular frauds affecting them and their losses, are nine in number and are:

John Henry Turner [Tr. p. 75], approximate loss \$25,125.00.

Reginald Harry East [Tr. pp. 75 to 77], approximate loss \$95,000.00.

Peter Daniel [Tr. pp. 77, 78], approximate loss \$50,000.00.

Frank Plater [Tr. pp. 79 to 81], approximate loss \$440.00.

John Cooper Russell [Tr. p. 81], approximate loss \$25,470.00.

William Scott [Tr. p. 79], approximate loss \$5,000.00.

William Fothergill [Tr. pp. 82, 83], approximate loss \$9,000.00.

Francis Jackson [Tr. pp. 83 to 85], approximate loss \$20,500.00.

Charles Henry Row [Tr. pp. 85, 86], approximate loss \$1850.00.

That these losses represent only a fraction of the total misappropriations by the "bucket-shop" associates is evident from the fact that the evidence shows that such misappropriations totalled considerably over \$1,000,000.00. [Tr. pp. 238, 239, pars. 15 and 16.]

The nature of the false pretenses is in each case similar, the allegation being that the appellee, Alex Graham, alias Strakosch, who gives his true name as Alexander Strakosch, and said Stanley Grove Spiro obtained either money or valuable securities from the victimized customer by falsely pretending that the firm of Maclean & Henderson

(or the firm of S. R. Bunt & Co.) was prepared to give honest advice as to the purchase and sale of stocks and shares and that certain securities in bogus companies which they recommended were sound investments.

These two firms of Maclean & Henderson and S. R. Bunt & Co. were outside stock brokers of long established good reputation previously to their businesses being purchased by the "bucket-shop" associates. These "bucket-shop" associates then began a systematized campaign of the old customers of the two firms and others, to fleece them by advising them to sell their valuable securities and buy shares in the bogus companies formed by the associates for that purpose.

In addition to the charges of false pretenses set forth in the second amended complaint there are also three charges of fraudulent conversion; two in the case of Reginald Harry East [Tr. p. 77] and one in the case of Peter Daniel [Tr. p. 78], where money was received by Maclean & Henderson for the purpose of purchasing securities and the money was fraudulently converted to the use of appellee, Alex Graham, alias Strakosch, and Stanley Grove Spiro.

All the offenses aforesaid are specified as grounds for extradition by the Dawes-Simon Treaty between the United States of America and Great Britain dated December 22nd, 1931, and which was proclaimed as law by the President of the United States on August 9th, 1932. (U. S. Stat. at Large, Vol. 47, part 2, p. 2122 [Tr. pp. 244 to 246]; U. S. Treaties Series No. 849.)

In addition to the nine victimized customers of the "bucket-shop" there were twenty-one (21) other witnesses who testified as to the circumstances of the frauds generally.

The Commissioner, after a lengthy hearing, recommended the appellee Alex Graham, alias Strakosch, who gives his true name as Alexander Strakosch, for extradition and committed him to the custody of the marshal pending further action by the Secretary of State.

His Honor Judge Hollzer held that there was not sufficient evidence to warrant the holding of the accused for extradition and ordered him released.

The details of the actual crimes with which the accused appellee, Alex Graham, otherwise Strakosch, is charged by the second amended complaint [Tr. pp. 74 to 86] are set forth in the Appendix A to this brief.

It was admitted by counsel for the appellee on the hearing before Commissioner Head and so found by both the Commissioner [Tr. pp. 352, 353] and Judge Hollzer [Tr. p. 162], that the alleged crimes had been actually committed by Stanley Grove Spiro, alias "Stanley," alias "Royston" and others.

The question presented on this appeal is: Did Commissioner David B. Head have before him any legal evidence at all on which he could decide that there was evidence sufficient to justify the commitment of the appellee Alex Graham, otherwise Strakosch, for extradition?

*Bryant v. U. S.* (1897), 167 U. S. 104, at p. 105.

Or in the words of this Honorable Court in a very recent case: Was the evidence before the Commissioner such as might "lead a man of ordinary caution and prudence to believe and conscientiously entertain a "*strong suspicion*" that the appellee Alex Graham, alias Strakosch, was guilty of participation in the crimes?

*Curreri v. Vice* (1935), 77 Fed. (2d) 130, at p. 131.

**Specification of Assignment of Errors Relied Upon and Reference to the Record Where Such Assignments Appear.**

Appellant will rely upon the following assignments of errors: Nos. 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22. [Tr. pp. 262 to 268.] The assignments of error on which appellant relies are also set forth in Appendix B to this brief.

Assignments of Errors Nos. 4, 5, 6, 7, 8, 9, 10 and 11 [Tr. pp. 262 to 265] relate to offenses committed with respect to the nine victimized customers of the "bucket-shop," viz.:

John Henry Turner, Assignment of Errors No. 3 [Tr. p. 263];

Reginald Harry East, Assignment of Errors Nos. 4 and 5 [Tr. p. 263];

Frank Plater, Assignment of Errors No. 6 [Tr. p. 263];

William Scott, Assignment of Errors No. 7 [Tr. p. 264];

John Cooper Russell, Assignment of Errors No. 8 [Tr. p. 264];

William Fothergill, Assignment of Errors No. 9 [Tr. p. 264];

Francis Jackson, Assignment of Errors No. 10 [Tr. p. 264];

Charles Henry Row, Assignment of Errors No. 11 [Tr. p. 265];

Peter Daniel, Assignment of Errors No. 5 [Tr. p. 263], and relate to the finding of the Court that appellee (respondent Alex Graham, otherwise Strakosch) did not at



any time make any representations to any of these nine victimized customers or otherwise deal with them (there is, however, an exception in the case of Peter Daniel, Assignment of Errors No. 5 [Tr. p. 263]), which will be hereafter dealt with.

Assignment of Error No. 12 [Tr. p. 265] relates to the finding that appellee (respondent) Alex Graham, otherwise Strakosch, was not a partner or manager of either the firm of Maclean & Henderson or S. R. Bunt & Co. and did not represent either of the said firms in any of the transactions relating to the deposit with either of the said firms of the securities, checks and funds deposited with those firms by any of the persons mentioned in the second amended complaint;

Also relates to the finding that appellee Alex Graham, alias Strakosch, did not represent either of the said firms in any of the transactions upon which any of the offenses described in the second amended complaint are based.

The Assignment of Errors Nos. 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22 all relate to the conclusion of law set forth in various wording but all to the same effect, viz., that the evidence before the Commissioner did not justify his finding that there was reasonable or probable cause to suspect that appellee, Alex Graham, otherwise Strakosch, was guilty of participation in the crimes which had been committed by Stanley Grove Spiro and others.

(Note): Owing to the nature of this case and the theory of the appellant that appellee is one of a group of persons who associated themselves together with the intention of carrying out an unlawful purpose and that, therefore, appellee is guilty of every unlawful act perpetrated by any member of the group in pursuance of such unlawful pur-

pose, it is not possible to fully comply with sub-rule (e) of Rule 20 of the Rules of the United States Circuit Court of Appeals for the Ninth Circuit, by segregating the assignments of error and summarizing each assignment of error before the argument addressed to it.

### Summary of the Case.

From now onward in this brief the appellee Strakosch will be mostly called by his alias "*Graham*" as he is generally mentioned by that name in the depositions.

It is not the contention of the appellant that the evidence contained in the depositions (except in the case of Peter Daniel) positively identifies "*Graham*" as making any particular fraudulent representation to any particular customer; most of the fraudulent representations having been made on the long distance telephone and under obviously assumed names. It is, however, the contention of the appellant that there is a mass of evidence in the depositions which cannot but give rise to a "*strong suspicion*" that "*Graham*" was a member of the group of malefactors who carried on the business of the "bucket-shop" and is thus guilty of participation in the frauds, the law being that where several persons are acting together and with a common intent and design to commit a crime and they co-operate to a common end, one doing one thing and another doing another thing, they are all guilty as principals to the same extent as if each one were the sole offender; and that this community of unlawful purpose

may be shown by circumstances as well as by direct evidence.

16 *Corpus Juris*, p. 124; *ibid.*, p. 128;

*People v. Nolan*, 144 Cal. 75 at pp. 78, 79, 77 Pac. 774 at p. 775;

*People v. Burdug*, 95 Cal. App. Dec. 259, at p. 267;

*People v. Entcrante*, 134 Cal. App. Dec. 437, 25 Pac. (2d) 481;

*People v. Gallagher*, 100 Cal. 466, 35 Pac. 80;

*State v. Orlandi*, 106 Vt. 165, 170 Atl. Rep. 908 at pp. 910, 911.

As the Commissioner stated at the hearing, "what we have here is the old time bucket-shop." [Tr. p. 368.]

The frauds were perpetrated by buying up two firms of outside brokers of long established good reputation; then the customers, who were ignorant of the change in ownership of the firms in question and who relied on their former satisfactory dealings with such firms, were induced to send valuable stocks and money to the "bucket-shop," which stocks and money the "bucket-shop" then misappropriated and sent the customers worthless stocks in bogus companies in their stead or made no return whatever.

The names of the bogus companies were West African Mining Corporation of which "*Graham*" was the practical owner [Tr. pp. 218, 219], and transferred all his stock to the defrauded customers; the Scottish Gas Utilities Corporation in which "*Graham*" held 7,000 shares in his true name of Alexander Strakosch and two other companies known as Gold Reefs of West Africa, Ltd., and Brucefield Collieries, Ltd.

The names of the two firms of outside brokers were Maclean & Henderson, founded in 1868 and carrying on business in Stirling, Scotland, the business of which was transferred by the "bucket-shop" to 36 New Broad street, London. England [Tr. pp. 183 to 185], and S. R. Bunt & Co. which had carried on business in London since the year 1917, of which the address was 1 Royal Exchange avenue, London. [Tr. p. 185.]

The first fourteen charges relate to business done with customer in the name of Maclean & Henderson. (Appendix A, pp. 1 to 7.) The last five charges relate to business done in the name of Bunt & Co. (Appendix A, pp. 7, 8 and 9.)

The "bucket-shop" also had three other addresses from which they conducted their business. One was 29 King William street, London, where they carried on business in the name of "Robert Irving & Co.," and which was also the registered office of West African Mining Corporation, the bogus company owned by Graham. The firm name, "Robert Irving & Co.," was apparently used merely for the purpose of offering the customers higher prices for the shares bought by them from Maclean & Henderson or Bunt & Co. with the fraudulent intention of inducing these same customers to sell their valuable securities and buy stocks in these bogus companies and with the further fraudulent purpose of making it appear there was an active market for the bogus companies' shares.

Another address from which they operated was 16 Conduit street, London, where offices were rented by Spiro from Mills Conduit Investments, Ltd., with whom also financing of stocks and shares was carried out by the "bucket-shop."

The business was also transacted from 5 Suffolk street, London, which was Spiro's office and headquarters.

Thus we find appellee "*Graham*," Spiro and their associates *operating from five different addresses and under three different firm names.*

All the nine victimized customers, who testified, except Peter Daniel, lived outside London and most of the fraudulent representations to the customers were made on the long distance telephone; the name of the firm "Maclean & Henderson" or "S. R. Bunt & Co." or "Robert Irving & Co." being given and the speaker giving a fictitious name.

Letters under the letterhead of Maclean & Henderson and Bunt & Co. were written by appellee "*Graham*" and Spiro indiscriminately from the offices of Maclean & Henderson at 36 New Broad street and S. R. Bunt & Co. at 1 Royal Exchange avenue and Spiro's office at 5 Suffolk street; letterheads of both Maclean & Henderson and of S. R. Bunt & Co. being kept at Spiro's office at 5 Suffolk street for that purpose.

In communicating personally or by phone with the customers it is evident that false names were used. Appellee Strakosch was known as "*Alex Graham*." Spiro was known as "Royston" and also as "Stanley." "Richards" and "Mortimer" were names also used, although no person of the name of "Richards" or "Mortimer" was ever seen in any of the offices by the stenographers, so that they were obviously assumed names.

"*Graham*" was present when the arrangements were made for renting these various offices; also took stenog-

raphers to these different offices of the "bucket-shop" to work, gave instructions there, dictated letters, paid the employees' wages, gave instructions for printing The "Weekly Financial Review" for Maclean & Henderson and the "Stock Market News" for Bunt & Co. and paid for the printing; telephoned to customers and generally acted as a member of both these firms.

"Graham" and Spiro both gave instructions at 5 Suffolk street (Spiro's office) in connection with the business of both Maclean & Henderson and Bunt & Co. and dictated letters there written on the letterheads of both Maclean & Henderson and Bunt & Co.

"Graham" was a director and owner of one of the bogus companies, viz., West African Mining Corp., and held shares in another bogus company, viz., Scottish Gas Utilities Corp., and transferred shares out of his name into the names of defrauded customers of Maclean & Henderson and Bunt & Co.

"Graham" personally was taken and introduced as his assistant by Spiro to the Dunn Trust Co. and the Mills Conduit Investment Co. (the two firms from which the bucket-shop borrowed money by pledging the customers' securities), and Spiro stated to Mr. Jones, the managing director of Mills Conduit Investment Co. that if "Graham" should require any money, he should have it and he (Spiro) would be responsible for it.

"Graham," Spiro and Taylor received from Dunn Trust Ltd. and Mills Conduit Investment Company checks for large sums of money for sales of or loans on the customers' securities which they turned into cash and never accounted for.

It is submitted that if the business that was being carried on was a legitimate business there would have been no need of having these various offices, or of moving stenographers from one office to another or using different firm names and addresses, particularly when circulars were being sent out and telephone calls made to the same persons in reference to the same transactions.

It is submitted also that the evidence as to the association of "*Graham*" with Spiro, an admitted criminal, the introduction of Graham personally to Dunn Trust Ltd. and to Mills Conduit Investment Co. by Spiro as his assistant (without protest from "*Graham*" who was present at the time), with the instructions from Spiro at the time to the latter company to pay money to "*Graham*" and the later receipt by "*Graham*" of large sums of money from both said companies, representing the proceeds of the frauds in question and the transfer of worthless shares in one of the bogus companies from "*Graham*" direct to the defrauded customers raises more than a strong suspicion of participation by "*Graham*" in the general fraudulent scheme, and the Commissioner so found. [Tr. pp. 407 to 411.]

It is submitted that the actions of the above named associates, one of whom was "*Graham*," their methods of carrying on their business with their customers; their use of different offices for the carrying on of their business transactions with the same set of customers and the resulting frauds and losses suffered by these customers and the telephone calls and letters sent out by the same associates under different names and addresses are not the methods of legitimate business, and that any person taking part in these practices cannot be acting innocently.

It Was Admitted by Counsel for the Appellee and Held by Both Commissioner Head and Judge Hollzer That the Crimes Charged in the Second Amended Complaint Had Been Committed by Spiro and Others and That the Only Question for Decision Before the Commissioner Was Whether There Was Reasonable or Probable Cause to Hold That Appellee Graham, Alias Strakosch, Was a Guilty Participant in Those Crimes.

Appellee's counsel admitted at the hearing before the Commissioner that there was no question but that the crimes charged had been committed and that Spiro was linked up with them and that the only question to be decided was whether the appellee was a member of the group of malefactors. Witness the following:

“The Commissioner: For this reason: That undoubtedly these depositions show that crimes have been committed, and as far as I can see, the only question here is whether this defendant is identified.

Mr. Henry Dockweiler: That is, with the crimes.

The Commissioner: With the crimes that have been set out.

Mr. Henry Dockweiler: There is no question but that crime has been committed here, and very reprehensible crime.

The Commissioner: And the question is whether the accused was a member of that conspiracy—I don't mean ‘conspiracy.’ I am referring to the crime.

Mr. Henry Dockweiler: Or group of malefactors.

The Commissioner: Yes.



Mr. Henry Dockweiler: It has to be tested by the rule of probable cause, as we have it in our courts.

The Commissioner: I believe so. I think your statement is correct there.

Mr. Henry Dockweiler: Yes.

The Commissioner: Counsel has offered to give you those depositions.

Mr. Henry Dockweiler: I have not segregated mine. I want to go through all of them to show the weakness of the connection in the matter of probable cause.

The Commissioner: I don't think there is any reason to argue the fact that a crime has been committed. The crime was committed.

Mr. Henry Dockweiler: This Spiro is undoubtedly sufficiently linked up." [Tr. pp. 352, 353.]

Judge Hollzer in his findings concludes as follows:

"The court further concludes that the acts described in the second amended complaint constitute crimes respecting which extradition may be had under the applicable extradition treaty.

The court further concludes that the evidence presented at the hearing before the Commissioner tends to prove that one Stanley Grove Spiro, alias Stanley, alias Royston, and also various other persons, participated in the commission of such crimes." [Tr. p. 162.]

**Appellant Adopts the Reasons Given by the Commissioner at the Hearing Before Him for His Commitment of the Appellee for Extradition as Part of Appellant's Argument in Support of This Appeal.**

The reasons given by the Commissioner for the commitment of appellee are set forth below and appellant adopts the Commissioner's reasoning as part of his argument.

“Mr. Isidore Dockweiler: If they had any real evidence against the respondent in this case, Strakosch, it certainly would have been in one or in several—at least in one of the 30 depositions.

The Commissioner: Well, the rental agent identified him as being associated with Spiro. Association is evidence.

Mr. Isidore Dockweiler: In a case where there is other strong evidence it might be considered, but of and by itself, there would be no justification for the certification to the Secretary of State—

The Commissioner: I know, Mr. Dockweiler, but it is not offered by itself. It is offered in connection with evidence that there are certain frauds here, and association is evidence in this type of case.” [Tr. p. 369.]

\* \* \* \* \*

“The Commissioner: The depositions taken as a whole show his participation. Now, for example, I believe the most damaging evidence is that of Engel, which I think you will find on page 51. He says, ‘I remember meeting a man named Alex Graham. Hickman introduced me to him. Hickman and Gra-

ham met in my presence. Hickman, who was virtually the owner of the company at that time, told me that he was disposing of his block of shares to Mr. Alex Graham, and an agreement was signed by Hickman. This agreement, although dated 30th November, 1936, did not come into being until January, 1937.'

There is a conflict here in that one of the typists testified that Graham left the country in, I think, August of 1936.

Mr. Finucane: She said he went on a holiday. She didn't say where.

Mr. Henry Dockweiler: He said also that the agreement did not come into being until 1937, and the last charge is 1936.

The Commissioner: However, he says: 'I certified the 170,000 shares out of Graham's name. I certified the whole lot. We moved to 28 Martin Lane, after which I did not see Graham.'

Mr. Hankey: Those are the shares for which nothing was paid.

Mr. Finucane: Other people said they got the shares out of Graham's name prior to that.

Commissioner: Yes.

Mr. Hankey: Jackson received two certified transfers, one for 3,000 shares and one for 7,000 shares out of the name of Alex Graham.

Mr. Henry Dockweiler: No, he didn't receive them. He declined—he said specifically on page 73—

The Commissioner: This is one of the companies that figures in several of the transactions—West African Mining Corporation.

Mr. Henry Dockweiler: How on earth, by picking out isolated instances—anybody who worked in a store could be picked up—

The Commissioner: There is a good deal more than that, Mr. Dockweiler; in the renting of these offices; it is significant that it was Graham who was usually associated with Spiro in those transactions; and another significant point is that when Spiro left town, that he left orders with the Dunn Trust and with the Conduit Investment—whatever the name of that company is—

Mr. Hankey: Mills Conduit Investment Ltd.

The Commissioner: Mills Conduit Investment Ltd., yes; that he left instructions with them that—

Mr. Henry Dockweiler: (Interrupting) If he wanted any money, to give him credit?

The Commissioner: Not only he, but also Taylor. I say, it would appear—of course, Spiro is undoubtedly, to use the vernacular, the 'ringleader' of this matter. But it would appear that there is a *prima facie* showing here that Taylor and Strakosch were fairly intimately associated with him; and there are so many of these transactions, and the renting of these offices, as Mr. Hankey states, if it was a legitimate business, they would not have had the need of five offices; and the moving of typists from one office to another, and the use of different addresses, par-

ticularly when matters were being sent out, circulars and telephone calls and such, that is, to the same persons in reference to the same transactions; that, of course, looks rather bad, and it seems that in at least three of these offices Graham appeared frequently and transacted a good deal of business in those offices such as writing letters and telephoning. Of course, that does not tie him in with any one of the particular frauds perpetrated; but it seems to me there is a showing that he participated in the general scheme.

Now, this law of aiding and abetting, I don't think we need to argue that because it has been a long time since an aider and abettor has not been a principal both in this jurisdiction and in England. It would be my interpretation of the law, following somewhat our law of mail fraud, that if these gentlemen acted in concert, and after having formed what appears to be a plan here, that they then proceeded to carry it out, Spiro doing one thing, Taylor doing something else, Strakosch opening the mail and telephoning from a particular office, or renting certain offices, it would seem to me that such a showing as that would be sufficient to send the case to the jury.

When we argued this matter the other day I was more impressed with the lack of any direct evidence of contact between Graham and any of the victims; but then in re-reading the depositions for, I think, the third time, I am impressed with this showing of joint acts as between particularly Spiro and Graham or Strakosch." [Tr. pp. 407 to 411.]

There Is No Difference Between the Wording in the Dawes-Simon Treaty of 1931 and the Earlier Extradition Treaties Between the United States of America and Great Britain as to the Evidence Necessary to Justify the Extradition of a Fugitive From Justice, and Therefore the Decisions of the United States Courts on the Wording of the Earlier Treaties Are Controlling as to the Dawes-Simon Treaty of 1931.

The accused is sought to be extradited under the Dawes-Simon Treaty of 1931 which superseded all the previous extradition treaties between the United States of America and Great Britain (47 U. S. Stat. at Large, part 2, p. 2122; U. S. Treaties Series No. 849).

This treaty provided for extradition between the two countries for:

“17. Fraud by a bailee, banker, agent, factor, trustee, director, member, or public officer of any company, or fraudulent conversion.

18. Obtaining money, valuable security, or goods, by false pretences.” (Art. 3.)

It also provides that extradition is also to be granted for *participation* in any of the aforesaid crimes or offenses, provided that such participation be punishable by the laws of both High Contracting Parties. Article 9 states as follows:

“The extradition shall take place only if the evidence be found sufficient, according to the laws of the High Contracting Party applied to . . . to justify the committal of the prisoner for trial.”

The earlier treaties are substantially the same in their provisions regarding the sufficiency of the evidence.

The Webster-Ashburton Treaty of 1842 (Malloys Treaties, Vol. 1, p. 650; Treaty Ser. No. 119) provides that an accused person shall only be delivered up for extradition:

“ARTICLE 10.

“upon such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had there been committed; and the respective judges and other magistrates of the two Governments shall have power, jurisdiction, and authority, upon complaint made under oath, to issue a warrant for the apprehension of the fugitive or person so charged, that he may be brought before such judges or other magistrates, respectively, to the end that the evidence of criminality may be heard and considered; and if, on such hearing, the evidence be deemed sufficient to sustain the charge, it shall be the duty of the examining judge or magistrate to certify the same to the proper executive authority, that a warrant may issue for the surrender of such fugitive. The expense of such apprehension and delivery shall be borne and defrayed by the party who makes the requisition and receives the fugitive.”

8 *Stat. at Large* 572;

The Blaine-Pauncefote Treaty of 1889 (Malloys Treaties, Vol. 1, p. 740; Treaty Ser. 139) provides that

the Tenth Article of the 1842 Treaty is made applicable to certain additional crimes therein set forth and also provides as follows:

“Extradition is also to take place for *participation* in any of the crimes mentioned in this Convention or in the aforesaid Tenth Article, provided such participation be punishable by the laws of both countries.”

Article VI provides:

“The extradition of fugitives under the provisions of this Convention and of the said Tenth Article shall be carried out in the United States and in Her Majesty’s dominions, respectively, in conformity with the laws regulating extradition for the time being in force in the surrendering State.”

*Hay-Pauncefote Treaty of 1900* (Malloys Treaties, Vol. 1, p. 781); and

*Choate-Lansdowns Treaty of 1905* (Malloys Treaties, Vol. 7, p. 798); and

*Harvey-Curzon Treaty of 1922; Treaties, etc. Between United States and Other Powers, 1910-1923, Vol. 3, p. 2658; (Treaty Ser. No. 666)* merely add certain extraditable offenses to the list contained in the Treaty of 1889.

There being no substantial difference between the wording of the earlier treaties and that of 1931, the rulings in the authorities hereinafter set forth are controlling as to the extent of the inquiry to be pursued by the reviewing court on a *habeas corpus* proceeding.



In Order to Justify Commitment for Extradition by the Commissioner of a Person Accused of Crime It Is Not Necessary Even That a Prima Facie Case of Guilt Be Made Out, but Merely Facts Tending to Show Participation—Such a State of Facts as Would Lead a Man of Ordinary Caution and Prudence to Believe and Conscientiously Entertain a Strong Suspicion That the Person Accused Is Guilty.

The province of the Commissioner is “to determine on hearing the evidence for the prosecution and that for the defense, if there be any, whether the case is one in which the accused ought to be put upon trial. It is no part of his province to try the case.”

*Queen v. Carden L. R.* (Eng.), 5 Q. B. D. at p. 6.

It has been held by the California courts that the phrase

“‘Reasonable or probable cause’ means such a state of facts as would lead a man of ordinary caution and prudence to believe and conscientiously entertain *a strong suspicion* that the person accused is guilty. . . . *In re Mesquita*, 139 Cal. App. 91, 33 Pac. (2d) 459, citing *Ex parte Vice*, 5 Cal. App. 153, 89 Pac. 983, 985.”

*Curreri v. Vice*, 77 Fed. (2d) (1935), p. 130, at p. 131 (a decision of the C. C. A. 9th Circuit).

“It is sufficient to say that the statutory law of California, which is controlling here, with reference to the holding of persons for trial by a committing magistrate, does not require in terms that there should be a *prima facie* showing of guilt, but requires a person to be held if there is ‘sufficient cause to believe’ him guilty.”

*Ibid.* p. 132.

“The question simply is whether there was any competent evidence before the commissioner entitling him to act under the statute. *The weight of the evidence was for his determination.* The statute provides that if, on the hearing, ‘he deems the evidence sufficient to sustain the charge,’ he shall certify the same to the Secretary of State, and issue his warrant for the commitment of the accused pending surrender according to the stipulations of the treaty.”

*Rev. Stat.* No. 5270.

\* \* \* \* \*

“It would therefore appear that the Supreme Court interprets the words ‘evidence sufficient to sustain the charge’ as *not requiring the proof of a prima facie case of guilt.* It is enough to show probable cause by acts tending to show guilty participation. *California does not require for commitment that a prima facie case of guilt be made out, but merely facts tending to show participation.* *In re Lottie McCarty*, 140 Cal. App. 473, 35 Pac. (2d) 568; *Ex parte Heacock*, 8 Cal. App. 420, 97 Pac. 77.”

*Ibid.* p. 134.

To sum up: It is submitted that in order to justify commitment of appellee for extradition the Commissioner David B. Head need only have had before him such facts as *could* lead a reasonable person to hold a strong suspicion of appellee’s guilty participation in the alleged crimes.

It is further submitted that the facts before the Commissioner justified his holding this “strong suspicion” and that his commitment of appellee, alias “*Graham*,” for extradition was therefore justified by the evidence.

On Habeas Corpus the Court Will Not Go Into the Question of the Sufficiency of the Evidence. The Weight of the Evidence Is for the Commissioner. Habeas Corpus Is Not a Means for Rehearing What the Commissioner Has Already Decided. It Is Only Where There Is No Legal or Competent Evidence of Facts Before the Commissioner on Which He Can Exercise His Judgment That the Court Will Interfere With the Decision of the Commissioner.

All the cases are unanimous that the Court on habeas corpus will not weigh or consider the question of the sufficiency of the evidence, but will only consider whether there was *any legal evidence at all* upon which the Commissioner *could* decide that there was evidence justifying the commitment of the accused for extradition.

“A writ of habeas corpus in a case of extradition cannot perform the office of a writ of error. If the commissioner has jurisdiction of the subject matter and of the person of the accused, and the offense charged is within the terms of a treaty of extradition and the commissioner, in arriving at a decision to hold the accused, has before him competent legal evidence on which to exercise his judgment as to whether the facts are sufficient to establish the criminality of the accused for the purposes of extradition, such decision of the commissioner cannot be reviewed by a Circuit Court or by this court, on habeas corpus, either originally or by appeal.”

*In re Luis Oteiza y Cortes, Petitioner* (1890), 136 U. S. 330, at p. 334.

“We are of opinion that *it cannot be held that there was substantially no evidence calling for the judgment of the commissioner* as to whether he would, or would not, certify and commit under the statute, and that therefore, as a matter of law, he had no jurisdiction over the subject-matter; and, this being so, his action was not open to review on habeas corpus.”

*Ornelas v. Ruiz* (1896), 161 U. S. 502.

“The question before the commissioner in this case was whether, in the language of the Treaty of 1842 Art. X, 8 Stat. 572, 576), there was ‘such evidence of criminality as, according to the laws of the place where the fugitive or person so charged shall be found, would justify his apprehension and commitment for trial if the crime or offense had been there committed.’ In other words, whether, according to our laws, there was ‘probable cause to believe him guilty of the crimes charged.’ Rev. Stat., §5270; *Benson v. McMahon*, 127 U. S. 457, 462. *The question before us is even narrower than that, viz.: Whether there was any legal evidence at all upon which the commissioner could decide that there was evidence sufficient to justify his commitment for extradition.*”

*Bryant v. U. S.* (1897), 167 U. S. 104, at p. 105.

“The court will only consider whether the commissioner *had any legal or competent evidence* of facts before him, *on which to exercise his judgment* as to the criminality of the accused. But such court is *not to inquire whether the legal evidence of facts before the commissioner was sufficient or insufficient to warrant his conclusion.*”

*Terlinden v. Ames* (1901), 184 U. S. 270, at p. 278.

“Certain cases are also cited from the Supreme Court of California to the effect that it is the right of the prisoner to have the court consider the question of probable cause upon the writ of habeas corpus. (Citing cases.) See *contra*, *Ex parte Long*, 114 Cal. 159.

“In the federal courts, however, it is well settled that upon habeas corpus the court *will not weigh the evidence*, although if there is an entire lack of evidence to support the accusation the court may order his discharge. In this case, however, *the production of the indictment made at least a prima facie case* against the accused, and if the commissioner received evidence on his behalf, it was for him to say whether upon the whole testimony there was proof of probable cause.”

*Hyde v. Shine* (1904), 199 U. S. 62, at p. 84;

*McNamara v. Henkel* (1912), 226 U. S. 520, at p. 524, is to the same effect.

“Competent evidence to establish reasonable grounds is not necessarily evidence competent to convict. (Citing cases.) The foregoing are general principles relating to extradition, but there are further limits to habeas corpus. That writ, as has been said very often, cannot take the place of a writ of error. *It is not a means for rehearing what the magistrate already has decided.* The alleged fugitive from justice has had his hearing and habeas corpus is available only to inquire whether the magistrate had jurisdiction, whether the offense charged is within the treaty, and, by a somewhat liberal extension, whether there was any evidence warranting the finding that there was reasonable ground to believe the accused guilty. (Citing cases.)”

*Fernandez v. Phillips* (1924), 268 U. S. 311, at p. 312.

Where Several Persons Are Acting Together and With a Common Intent and Design to Commit a Crime and They Co-operate to a Common End, One Doing One Thing and Another Doing Another Thing, They Are All Guilty as Principals to the Same Extent as if Each One Were the Sole Offender, and This Community of Unlawful Purpose May Be Shown by Circumstances as Well as by Direct Evidence.

“Where two or more persons acting with a common intent jointly engage in the same undertaking and jointly commit an unlawful act, each is chargeable with liability and responsibility for the acts of all the others, and each is guilty of the offense committed, to which he has contributed, *to the same extent as if he were the sole offender.* And the common purpose need not be to commit the particular crime which is committed; if two persons join in a purpose to commit a crime, each of them, if actually or constructively present, is not only guilty as a principal, if the other commits that particular crime, but he is also guilty of any other crime committed by the other in pursuance of the common purpose, or as a natural or probable consequence thereof.

“In order to show a community of unlawful purpose it is not necessary to show an express agreement or an understanding between the parties. Nor is it necessary that the conspiracy or common purpose shall be shown by positive evidence; *its existence may be inferred* from all the circumstances accompanying the doing of the act, and from conduct of defendant subsequent to the criminal act; in other words, *preconcert or a community of purpose may be shown by circumstances as well as by direct evidence.*”

“Where several persons are acting together with a common intent and design to commit a crime, and each performs some part of the crime, they are all guilty as principals, although all are not actually present when the offense is finally consummated. They are present in the eye of the law at the place of the crime where each and all *in their own station cooperate to a common end.*”

16 *Corpus Juris*, p. 124.

“Where several persons combine under a common understanding and with a common purpose to do an illegal act, every one is criminally responsible for the acts of each and all who participate with him in the execution of the unlawful design. (*Commonwealth v. Campbell*, 7 Allen (Mass.) 541, 544, 83 Am. Dec. 705; *State v. Taylor*, 70 Vt. 1, 11, 39 A. 447, 42 L. R. A. 673, 67 Am. St. Rep. 648.) All who knowingly and intentionally participate in the commission of a misdemeanor are principals and may be convicted thereof either separately or jointly. (*Village of St. Johnsbury v. Thompson*, 59 Vt. 300, 312, 9 A. 571, 59 Am. St. Rep. 731.) . . . *The fact of such complicity or aiding and abetting may be proved by circumstantial evidence.* (*Brown v. Commonwealth*, *supra*; *Willi v. Lucas*, 110 Mo. 219, 19 S. W. 726, 33 Am. St. Rep. 436, 438. And the common design need not be the result of an express agreement between the respondents; but *proof by circumstantial evidence of an implied understanding is sufficient.*”

*State v. Orlandi*, 106 Vt. 165, 170 Atl. Rep. 908 at pp. 910, 911.

“Again, it is well settled that where it is proved that the persons charged by their act pursue the same object or purpose, *one performing one part and another another part* of the same, so as to complete it

with a view to the attainment of the same object, the jury will be justified in the conclusion that they were engaged in a conspiracy to effect that object; and, under our statute, such acting together would make all principal offenders, whether bodily present or not at the place of the offense. And they are all principal offenders when acting together, as long as any portion of the object of the common design remains incomplete; in other words, until the full purpose and object of the conspiracy is consummated and accomplished.”

*Mason v. State*, 20 S. W. Rep. 564 at p. 566, 31 Tex. Cr. 306 at p. 311.

### **Accessory or Participator Is Now Chargeable as a Principal.**

The distinction between an accessory before the fact and a principal and between principals in the first and second degree has now been abrogated and one who participates or co-operates in the fraudulent scheme is now chargeable as a principal under both English and American law.

“Every person who knowingly and wilfully aids, abets, counsels, procures or commands the commission of an offense punishable under this act shall be liable to be dealt with, indicted, tried and punished as a principal offender.”

*English Larceny Act* 1916, Sec. 35 [Tr. pp. 318-319, 384]; Law Rep. Stat. (6 and 7, George V, Chap. 50, p. 139).

“All persons concerned in the commission of a crime, whether it be felony or misdemeanor, and whether they directly commit the act constituting the offense, or aid and abet in its commission, or, not



being present, have advised and encouraged its commission . . . are principals in any crime so committed.”

*California Penal Code*, Sec. 31.

“The distinction between an accessory before the fact and a principal, and between principals in the first and second degree, in cases of felony, is abrogated; and all persons concerned in the commission of a felony, whether they directly commit the act constituting the offense, or aid and abet in its commission, though not present, shall hereafter be prosecuted, tried and punished as principals, and no other facts need be alleged in any indictment or information against such an accessory than are required in an indictment or information against his principal.”

*California Penal Code*, Sec. 971.

“Although the appellant did not directly commit the robbery, and was simply what was formerly called an accessory before the fact, she was informed against as a principal. . . .

“It is declared by the Penal Code that the distinction between an accessory before the fact and a principal, and between principals in the first and second degree, in cases of felony, is abrogated, and that all persons concerned in the commission of a felony, whether they directly commit the act constituting the offense, or aid and abet in its commission, or, not being present, have advised and encouraged its commission, are principals in any crime so committed.

(Secs. 31 and 971.) It is further provided by section 971 of the Penal Code, as amended in 1880, that 'no other facts need be alleged in any indictment or information against such an accessory' (an accessory before the fact) 'than are required in an indictment or information against his principal.'

"The intention of the legislature that the person who is a principal in a crime, simply because he has advised and encouraged its commission, may properly be charged with having himself directly committed the act, is thus made manifest (see *People v. Rozelle*, 78 Cal. 84, 89), and this is not disputed by counsel for appellant."

*People v. Nolan*, 144 Cal. 75 at pp. 78 and 79, 77 Pac. 774 at p. 775.

See, also:

*People v. Burdgo*, 95 Cal. App. 259, at p. 267;

*People v. Enterante*, 134 Cal. App. 437; 25 Pac. (2d) 481;

*People v. Gallagher*, 100 Cal. 466; 35 Pac. 80.

## Summary of the Evidence.

The evidence before the Commissioner consisted of the duly certified copies of the warrant for the arrest of appellee Alex Graham, alias Strakosch, and Stanley Grove Spiro and the information and the depositions of the thirty witnesses on which the warrant was granted. [Brit. Con. Exhibit No. 1, Tr. pp. 170 to 258.]

Twenty-one (21) of these witnesses testified generally and the other nine (9) witnesses are the victimized customers who testify as to the <sup>particular</sup> ~~general~~ frauds.

Appellant will now summarize the evidence under the following headings and in the order given:

- (a) Alias Used by Appellee.
- (b) Aliases of Spiro.
- (c) The Bogus Companies.
- (d) Witnesses as to Charges Generally.
- (e) Testimony of the Nine Victimized Customers of the "Bucket-shop."

(The nine (9) witnesses who were the victimized customers of the "bucket-shop" are segregated from the twenty-one (21) witnesses who testify as to the charges generally.)

Appellant will then point out the evidence which it is contended points to the participation of appellee Graham, alias Strakosch, in the frauds.

(a) ALIAS USED BY APPELLEE.

“*Graham*” was an alias used by the appellee Strakosch.

“I have heard *Graham* called Strakosch.” [Dep. of Ruby Croucher, Tr. p. 225, par. 3.]

“I have known *Alex Graham* since the autumn of 1932. I knew him as *Mr. Strakosch*.” [Dep. of Ethel Lowry, Tr. p. 231, par. 4.]

“I attach, marked ‘2,’ a photograph of *Alexander Strakosch*, alias *Alex Graham*.” [Dep. of Thomas Gankerseer, Tr. p. 247.]

The photograph of Alexander Strakosch, alias *Alex Graham*, marked Exhibit “2,” is on page 223 of the record certified by the clerk of the District Court.

“I have seen a photograph and I identify the photograph marked ‘2’ as the photograph of *Graham*.” [Dep. of Charles Engel, Tr. p. 219, par. 6.]

“The photograph, Exhibit No. 2, is the photograph of the man I know as *Alex Graham*.” [Dep. of May Phillips, Tr. p. 225, par. 11.]

The Commissioner was satisfied that “*Graham*” and Strakosch were one and the same person.

“Mr. Hankey: . . . I don’t know whether you are satisfied, whether there is a doubt in Your Honor’s mind as to our identification as to *Alex Graham* being *Strakosch*.”

The Commissioner: I think that has been established. (Tr. p. 370)

Mr. Hankey: It is not a question of his identity, as being *Alex Graham* or *Strakosch*?

The Commissioner: That has been established, no doubt.” [Tr. pp. 370, 379.]

(b) ALIASES OF SPIRO.

Spiro used the names of “Stanley” and “Royston” as aliases.

“If Mr. Stanley is Stanley Grove Spiro, I have seen him.” [Dep. May Phillips, Tr. p. 222, par. 2.]

“I know Stanley Grove Spiro of 5 Suffolk street. I was first introduced to him at the end of May, 1932. He was introduced to me as Mr. Stanley.” [Dep. Ethel Lowry, Tr. p. 230, par. 2.]

“The man who called gave the name of Royston. I saw him about five or six times altogether. The last time I saw him was at the end of 1935. I know the man now in the name of Stanley Grove Spiro. I have seen him as Spiro and I was present when he was served with the writ.” [Dep. of Peter Daniel, Tr. p. 199, par. 3.]

His Honor Judge Hollzer also found as follows :

“The court further concludes that the evidence presented at the hearing before the Commissioner tends to prove that one Stanley Grove Spiro, alias Stanley, alias Royston, and also various other persons, participated in the commission of such crimes.” [Tr. p. 162.]

Spiro also used a company as his *alter ego*, the Anglo-African Corporation, having its address at his office (5 Suffolk street). This company had a nominal capital of one thousand (1,000) shares of £1 (\$5.00) each, of which only one hundred (100) shares had been issued; Samuel Taylor (one of the “bucket-shop” associates) being one of the two directors.

Apparently this corporation was simply used to make and receive payments through.

“The rent was paid in cash or by check, usually with the Anglo-African Corporation check.” [Dep. of George Baldwin, Tr. p. 186, par. 2.]

“A man named Hunter was associated with Stanley Grove Spiro at this time. The deposit of £1500 was paid. I got the money from Anglo-African Corp., Ltd., for Hunter and I paid it over.” [Dep. of Charles Wood, Tr. p. 203, par. 3.]

Maclean & Henderson had sold debenture notes of the Scottish Gas Utilities Corporation (one of the bogus companies) to John Turner [Dep. of John Turner, Tr. pp. 192 to 194, pars. 3, 4 and 7] and Reginald East [Dep. of Reginald East, Tr. pp. 195 and 196, pars. 4 and 5] on which they each received three payments of interest, although Scottish Gas Utilities Corporation, Ltd., never had any money to pay the interest. The interest was provided in the following manner: At the time the interest on the debenture notes became due, money was paid by Maclean & Henderson into the account of the Anglo-African Corporation and checks from the account of the Anglo-African Corporation were then paid into the account of Scottish Gas Utilities Corporation, from which the interest was then paid. [Dep. of Owen Williams, Tr. p. 237, par. 10.]

Anglo-African Corporation also received £19,000 (\$95,000.00) in checks from Mills Conduit Investments, Ltd., and £13,500 (\$67,500.00) in checks from Dunn Trust, Ltd., being the proceeds of securities fraudulently obtained from clients of Maclean & Henderson. [Dep. of Owen Williams, Tr. p. 239, pars. 15 and 16.]

(c) THE BOGUS COMPANIES.

The "bucket-shop" had four corporations or companies in which they advised their clients to invest. They were:

- (1) West African Mining Corporation.
- (2) Scottish Gas Utilities Corporation, Ltd.
- (3) Gold Reefs of West Africa, Ltd.
- (4) Brucefield Collieries, Ltd.

None of these companies had any assets to speak of.

*West African Mining Corporation, the Corporation Owned and Controlled by Alex Graham.*

(1) West African Mining Corporation has a history in which appellee "Alex Graham," alias Strakosch is closely involved.

In August, 1936, Claude Morse-Stephens, an Incorporated secretary having his office at 29 King William street, E. C. London, was asked to allow his office to be used for a firm of "Robert Irving & Co." which he allowed them to do at £5 a month. Mr. Stephens did not know who "Robert Irving & Co." were. They had a lady clerk in the office named Miss Phillips for most of the day for about a month. He never saw anybody connected with the firm except Miss Phillips. "Robert Irving & Co." only remained there one month. Mr. Stephens never saw any letters written or typed bearing the address of "Robert Irving & Co." and he never saw any signed letters there. Miss Phillips used a desk in Mr. Morse-Stephens' room. When she left in the evening she took everything away with her and brought them back the next morning. [Tr. p. 221, pars. 1 to 3.]

Miss Phillips, a stenographer of the "bucket-shop," said that "*Alex Graham*" told her to go to an office in King William street, E. C. She thinks it was in July, 1936 (this is obviously a mistake because the office was not rented until August, 1936). She stayed there a little while and the name of the firm was "Irving & Co." She took the correspondence addressed "Irving & Co." to 5 Suffolk street (Spiro's office). [Tr. pp. 224, 225, par. 11.]

The files of the West African Mining Corporation at the office of the Registry of Companies in London show that it was incorporated on the 2nd of November, 1936, the first registered office being at 29 King William street, E. C. London, the office of "Robert Irving & Co." to which Miss Phillips, the stenographer was sent by "*Alex Graham*." The capital of the company was originally £1,000/0/0 in 4,000 five shillings shares, and on November 23rd, 1936, there was a resolution increasing its nominal capital to £200,000/0/0 (\$1,000,000.00), consisting of 800,000 shares of five shillings each, of which only 471 shares were issued for cash, £117/15/0 (\$590.00). All of the other issued 170,000 shares which had not been issued for cash were allotted to Robert Hickman. [Tr. p. 190, par. 5.]

There is on file an agreement dated November 28th, 1936, between Bukasu Ltd. and Frederick William Dove, for the sale to the West African Mining Corporation Ltd. of certain mining rights in the Gold Coast for the sum of £63,500/0/0. [Tr. p. 190, par. 5.] Of this sum the concessionaire of the mining rights was to receive £300/0/0 in cash and £20,000/0/0 in shares. A man named Hickman was to have £42,500/0/0 worth of shares and £700/0/0 in cash. The contract was never carried out. [Tr. p. 220, pars. 1 and 2.]



Charles Walter Engel who was appointed secretary at the end of November, 1936, of the West African Mining Corporation, stated that he allotted the 170,000 shares in the West African Mining Corporation Ltd. to Hickman. The capital duties and expenses incurred, owing to the increase of capital to £200,000/0/0 would require over £1,000. That the stamp duties amounting to £32 odd had been paid, but the capital duty had not been paid because there was no money to pay it with. The company had no assets. No payments had been made in the Gold Coast. There had been no development of the property in Africa and no one had been employed in Africa.

Hickman, who was virtually the owner of the company, told Mr. Engel that he was disposing of his block of shares to "*Alex Graham*" and an agreement to this effect was signed by Mr. Hickman. This agreement, although dated November 13th, 1936, did not come into being until January, 1937. Hickman told Mr. Engel that "*Graham*" had said he would supply sufficient funds to work the company. "*Graham*" gave Mr. Engel instructions to get new offices and Mr. Engel found some, but "*Mr. Graham*" said they were not suitable.

"*Graham*" then told Mr. Engel that he had found some offices and they moved into 7 Gresham street, E. C. London. Mr. Engel saw no money pass between "*Graham*" and Hickman. On the 21st of January, 1937, the nominal directors resigned and "*Graham*" took over and became the owner of the company. Mr. Engel states that he certified the whole lot of 170,000 shares out of "*Graham's*" name. [Tr. pp. 218, 219, 220, pars. 1 to 7.]

On November 13th, 1936, William Scott who lived in Ayrshire, Scotland, and was an old customer of Maclean

& Henderson, received a telephone call from the London office of Maclean & Henderson, the speaker giving the name of "Richards" and he advised Mr. Scott to purchase shares in the West African Mining Corporation. Accordingly Mr. Scott purchased 3,000 shares in the West African Mining Corporation and on January 28th, 1937, after the agreement with Hickman became effective, a transfer was sent to Mr. Scott of these 3,000 shares out of the name of "*Alexander Graham.*" [Tr. pp. 207, 208, pars. 10 and 11.]

In November, 1936, Francis Jackson who lived at Middlesbrough, Yorkshire, and was an old customer of S. R. Bunt & Co., received a visit from a man who gave the name of "Mortimer" who produced a letter of authority from S. R. Bunt & Co., who advised him to purchase 10,000 shares in the West African Mining Corporation which he said they had reserved for him as an old customer of Maclean & Henderson. Accordingly, Mr. Jackson purchased the 10,000 shares and on February 1st, 1937, Mr. Jackson received two certified transfers for the 10,000 shares out of the name of "*Alex Graham.*" [Tr. pp. 241, 242, pars. 4 and 5.]

On November 9th, 1936, Charles Henry Row who lived at Long Melford, Suffolk and was an old customer of S. R. Bunt & Co., received a visit from a man who gave the name of "Mortimer" and who produced an authority signed S. R. Bunt & Co., authorizing him to represent that firm, and, on the strong recommendation of "Mortimer," Row agreed to purchase and did purchase 1,000 shares in the West African Mining Corporation Ltd. and later received a transfer for 1,000 shares in the West African Mining Corporation Ltd. out of the name of "*Alex Graham.*" [Tr. pp. 243, 244, pars. 5 to 7.]

On November 13th, 1936, John Cooper Russell who lived at Southport, Lancashire, received a call from "Richards" of Maclean & Henderson, strongly advising him to purchase shares in the West African Mining Corporation which he did and purchased in all 18,105 shares at eight shillings and six pence a share. [Tr. p. 210, par. 8.]

Neither Miss Phillips, who was the stenographer at Maclean & Henderson's office from January, 1935, to April, 1936, nor Miss Watson, who was the stenographer at Maclean & Henderson's office from May, 1936, to February, 1937, had ever seen a "Mr. Richards" in that office. [Tr. p. 223, par. 8; p. 229, par. 5.]

Neither "Mr. Richards" nor "Mr. Mortimer" have ever been traced. [Tr. p. 213, par. 8.]

It is obvious therefore that "Richards" and "Mortimer" were simply fictitious names, assumed for the purpose of concealing identity.

It is submitted from the above that there is a strong suspicion that "Richards" and "Mortimer" were the names used by "*Alexander Graham*" in communicating with customers. The sale of these shares in the West African Mining Corporation, all of which were owned by "*Alexander Graham*" and the subsequent transfer by "*Alexander Graham*" of these shares out of his name to Scott, Jackson and Row point to a strong suspicion of the guilty participation of "*Graham*" in the frauds.

*Scottish Gas Utilities Corporation, Ltd.*

(2) Scottish Gas Utilities Corporation was a private company which was incorporated in April, 1932, having its registered office at 5 Suffolk street (Spiro's office). The nominal capital of this company in June, 1932, was

200,000 shares of £1 (\$5.00) each. The total number of shares issued for cash was only two, or a total sum of cash of £2 (\$10.00). The rest of the shares, 70,000 in number were not issued for cash. "Graham" held 7,000 of these shares in his true name of *Alexander Strakosch*; Anglo-African Corporation (Spiro's *alter ego*) held 4,500; Samuel Taylor (one of the "bucket-shop" associates) was a Director and held 22,000, L. Grove Spiro and Roy Spiro, both having an address in South Africa, each held 6,500 shares. The company went into liquidation on February 27th, 1937. [Dep. Leonard Darsley, Tr. pp. 186, 187 and 188, par. 3.]

The company had never any substantial sum to its credit, except such sums as were provided for by the "bucket-shop" to pay the interest due on its debentures and notes. [Dep. Owen Williams, Tr. pp. 237 and 238, pars. 10 to 13.]

The bonds of this company were sold to two clients, John Turner [Tr. pp. 192 to 195] and Reginald East [Tr. pp. 195, 196, pars. 3, 4 and 5].

#### *Gold Reefs of West Africa, Ltd.*

(3) Gold Reefs of West Africa was a company with an original nominal capital of £1,000 (\$5,000.00) divided into 1,000 shares of £1 (\$5.00) each. On the 26th of February, 1936, the nominal capital of this company had been increased to £100,000 (\$500,000.00) divided into 400,000 shares of 5 shillings each, but only 107 shares had been issued for cash or a total sum of £26/15 (\$134.00) and its balance sheet about that date shows that it had no assets at all. [Dep. Leonard Darsley, Tr. pp. 188, 189, par. 4.] This was the com-

pany in which the "bucket-shop" persuaded their clients, Scott [Dep. Tr. pp. 205 to 207, pars. 2 to 9], Russell [Dep. Tr. pp. 208 to 210, pars. 2 to 8], Fothergill [Dep. Tr. pp. 211 to 213, pars. 2 to 7], Jackson [Tr. pp. 240, 241, pars. 2 to 4], and Row [Tr. pp. 242 and 243, pars. 2 to 5] to invest.

*Brucefield Collieries, Ltd.*

(4) Brucefield Colliers Ltd. was a finance company formed to purchase coal mines. An agreement was come to with the owners to sell the mines for £40,000 (\$200,000.00) and a deposit of only £1,500 (\$7500.00) was paid by the Anglo-African Corporation Ltd. (Spiro's *alter ego*.) The purchase was never completed, nevertheless debenture notes were issued over the protest of the secretary who was a lawyer, although there were practically no assets against which the debentures could be charged. [Dep. Charles Wood, Tr. pp. 202 to 205.]

Reginald East was strongly recommended to purchase and did purchase the securities of this company after he had got into touch with Maclean & Henderson through receiving a copy of their "Weekly Financial Review" [Dep. Reginald Harry East, Tr. pp. 195, 196, pars. 1 to 6], a publication ordered and paid for by "*Graham*." [Dep. of Mildner, Tr. p. 191, par. 2.]

Peter Daniel, another client, also was recommended to purchase and did purchase debentures of this company after receiving a copy of the "Weekly Financial Review" from Maclean & Henderson. [Dep. Peter Daniel, Tr. pp. 199, 200, pars. 2 to 5.]

(D) WITNESSES AS TO CHARGES GENERALLY.

*Evidence of Mr. Baldwin.*

GEORGE WILLIAM BALDWIN states how he leased to Spiro the premises at 5 Suffolk street and that the rent was usually paid by the Anglo-African Corporation. [Tr. p. 186, par. 2.]

*Evidence of Mr. Hunter.*

PETER MCINTYRE HUNTER, who lives at Stirling, Scotland, relates how he sold the business of Maclean and Henderson in 1934. The firm carried on a good and reputable business. The two persons who called on him gave the names of "Elphinstone" and "Stanley" and the person who gave the name of "Stanley" was Stanley Grove Spiro.

It was a condition of the sale that Hunter should remain in the business for one year, but when it was suggested that an office should be opened in London and when circulars were sent out broadcast to the public, Hunter severed his connection with the business on March 25th, 1935. [Tr. pp. 182, 183, pars. 1 to 5.]

*Evidence of Mr. Sancha.*

LOUIS SANCHA states that in December, 1934, he let three rooms to Maclean & Henderson at 36 New Broad street. The first person he saw was a "Mr. Graham" who came with a man named "Stanley" (Spiro). [Tr. pp. 183, 184, pars. 1 and 2.]

*Evidence of Mr. Bridge.*

GEORGE EDMUND WALKER BRIDGE states that on the 20th of April, 1936, he rented the premises at 1 Royal Exchange avenue, E. C., to Taylor and that a "*Mr. Graham*" came with the person who signed the agreement. (1 Royal Exchange avenue was the office of Bunt & Co.) [Tr. p. 239, pars. 1 to 3.]

*Evidence of Miss Payn.*

AGNES ELIZABETH PAYN, an official in the London office of the Registry of Business Names, proves that the business of Maclean & Henderson was carried on at 36 New Broad street, London, and the business of S. R. Bunt & Co. at 1 Royal Exchange avenue, E. C., London. [Tr. pp. 184, 185, pars. 1 to 5.]

*Evidence of Miss Phillips.*

MAY LILLIAN PHILLIPS states that she was engaged as a short-hand typist at 5 Suffolk street (Spiro's office), to work for Maclean & Henderson starting in January, 1935. "*Mr. Graham*" took her from Suffolk street to New Broad street. No one else was working at New Broad street. If "*Mr. Stanley*" is Stanley Grove Spiro she had seen him. "*Mr. Graham*" gave her the instructions at New Broad street. She says "William Underhill came to work at New Broad street." [Tr. p. 222.]

"William Underhill dealt with the post (mail) unless '*Alex Graham*' was there before him; then he dealt with it."

"*Alex Graham*" used to come to the office at New Broad street almost every day. "*Graham*" dictated all letters as to change of address. One of ~~her~~<sup>her</sup> duties was to attend

to the telephone switchboard. "*Alex Graham*" used to ask for a line and get his own numbers.

She says she has heard of "Richards," but she did not know him. She heard the name mentioned.

She said she saw "Stanley," and she identified a photograph of Spiro as "Stanley."

Then in April, 1936, she was taken by "*Alex Graham*" to S. R. Bunt & Co., 1 Royal Exchange avenue.

"*Alex Graham*" called William Underhill and me into the inner office and "*Alex Graham*" told William Underhill that I was going to work in S. R. Bunt & Co.,<sup>11</sup> and then he took her there.

"*Alex Graham*" gave her orders also at the Bunt office. "*Alex Graham*" opened the letters, and gave her some. Others he took away.

She says that in August "*Alex Graham*" went away on a holiday, and the letters were then taken to 5 Suffolk street. "I was told by either Samuel Taylor or '*Alex Graham*' about Hawker Aircraft Shares. This was in the autumn of 1936."

"I left at the beginning of November, 1936 \* \* \* I gave a week's notice, and a few days after Miss Croucher came."

"*Alex Graham*" told me to go to an office in King William street. The name of the firm was "Irving & Company." I took the correspondence addressed "Irving & Co." to 5 Suffolk street. I think I went every day and handed them over. The photograph, Exhibit No. 2, is the photograph of the man I knew as "*Alex Graham*." [Tr. pp. 222 to 225.]



*Evidence of Miss Croucher.*

RUBY ISABEL CROUCHER states that she was employed as a typist at 5 Suffolk street (Spiro's office) in January, 1936. She says that the staff at 5 Suffolk street consisted of certain people, amongst them "Mr. Graham," and that she had heard "Graham called Strakosch."

"Graham" (otherwise Strakosch) gave her instructions at Spiro's office with reference to the firm of Maclean & Henderson and that both Spiro and "Graham" dictated letters there with regard to Maclean & Henderson which letters were written on letterheads of Maclean & Henderson which had a Broad street address on them.

She states that the stationery of S. R. Bunt & Co. was also kept at 5 Suffolk street and that Spiro and "Graham" both dictated letters there with reference to Bunt & Co. That when Maclean & Henderson's letterheads were running short, she mentioned this to "Graham" and she got more paper. That early in November, 1936, Spiro asked her to be a typist at S. R. Bunt & Co. and she got the same salary there. It came to her by post from 5 Suffolk street. She left their employ on December 5th, 1936, when she gave a week's notice to leave S. R. Bunt & Co. [Tr. pp. 225 to 227, pars. 1, 3, 4, 5 and 9.]

*Evidence of Miss Watson.*

ROSE KATHLEEN WATSON states that she was employed as a typist by Spiro in May, 1936. She was taken to 16 Conduit street, where "Alex Graham" was, and "Alex Graham" paid her her wages and at the end of a week "Alex Graham" took her to 36 New Broad street, where she remained working for Maclean & Henderson until January, 1937.

“*Alex Graham*” came to the office quite frequently. She had never seen John William Robert Elphinstone at the office, but she saw Samuel Taylor at the office once or twice with “*Alex Graham*.” She had never seen “Mr. Richards,” but she had heard of “Mr. Richards” in consequence of someone ringing on the telephone. [Tr. pp. 227, 228, pars. 1, 2, 3, and 5.]

*Evidence of Miss Lowry.*

ETHEL MARY LOWRY states that she knew Stanley Grove Spiro of 5 Suffolk street and was first introduced to him at the end of May, 1932. He was introduced to her as “Mr. Stanley.” He engaged her as a shorthand-typist. Her duties were to deal with the correspondence of the Scottish Gas Utilities Corp. Ltd. The office of the Anglo-African Corporation was Spiro’s office. They were not separate offices.

She had known “*Alexander Graham*” since the autumn of 1932 and that she knew him as Mr. Strakosch. [Tr. pp. 230, 231, pars. 1 to 4.]

*Evidence of Mr. Mildner.*

FRANCIS JOSEPH MILDNER states that he is a printer and was introduced in 1934 to a man named “*Graham*” and he called on “*Graham*” at the office of Maclean & Henderson at 36 New Broad street and “*Graham*” gave him an order for printing on behalf of the firm of Maclean & Henderson. The first order was about the end of 1934. From that time onward he did a considerable amount of printing for Maclean & Henderson, including a publication called the “*Weekly Financial Review*” and

he printed reports on various companies from time to time and "*Graham*" paid him in notes (bank notes). He also did the printing for S. R. Bunt & Co., including the printing of a publication called the "Stock Market News," which was paid for in the same way as the other printing.

He saw Spiro fairly frequently at 5 Suffolk street and he did one piece of printing for "Robert Irving & Co.," on the telephone instructions of Spiro's secretary. [Tr. pp. 191, 192, pars. 1 to 5.]

*Evidence of Mr. Darsley.*

LEONARD PETER DARSLEY was an official of the Registry of Companies and gives particulars of the corporations or companies made use of by the "bucket-shop" confederates, comprising the Anglo-African Corporation (Spiro's *alter ego*) and the four companies, particulars of which are set forth in the previous part of this brief under the heading "The Bogus Companies." [Tr. pp. 186 to 191.]

*Evidence of Mr. Engel.*

CHARLES WALTER ENGEL was a company secretary. He acted as Registrar of the Gold Reefs of West Africa Ltd. and also as Secretary of the West African Mining Corporation (two of the bogus companies). He says that the 170,000 shares in the West African Mining Co. Ltd. were allotted to a Mr. Hickman. The capital duties and expenses incurred in the increase of the capital of the company to £200,000 (\$1,000,000.00) would require over £1,000 (\$5,000.00) but it had not been paid, because there was no money to pay it with and at the moment the company was without funds. [Tr. pp. 218-219, par. 3.]

He remembers meeting "*Alex Graham*" who was introduced to him by Hickman and that Hickman told him he was disposing of his block of shares to "*Alexander Graham*" and an agreement was signed by Hickman dated November 30, 1936, but which did not come into being until January, 1937. "Hickman told me that '*Graham*' had said he would supply sufficient funds to work the company."

"*Graham gave me instructions* to get new offices and I found some which were not suitable."

"'*Graham*' said he had found some and we moved into 7 Gresham street \* \* \*."

Mr. Engel, as secretary of the company, certified the 170,000 shares out of *Graham's* name. "*Graham*" "took over" the company on the 21st of January, 1937, and the other directors who were purely nominal directors resigned. The last time Mr. Engel saw "*Graham*" was on the 4th of February, 1937, and he identified the photograph of "*Graham*" marked "Exhibit 2." [Tr. pp. 218-220, pars. 3 to 7.]

#### *Evidence of Mr. Dove.*

FREDERICK WILLIAM DOVE was the concessionaire of certain properties in the Gold Coast owned by Bukasu Ltd., of which company he was chairman, which concession he states that Bukasu Ltd. and Dove agreed to sell to the West African Mining Corporation ("*Graham's*" bogus company) for the sum of £63,500 (\$317,500.00). He was to be paid £300 (\$1500.00) in cash and £20,000

(\$100,000.00) in 5 shilling fully paid shares. He received a check for £100 (\$500.00) on account, but he never received the balance of the £300 (\$1500.00) and never received the shares. He had agreed that £42,500 of the shares should go to Hickman as his nominee and that Hickman should get £700 in cash, but he never saw and never knew Hickman and the contract was never carried out. [Tr. p. 220, pars. 1 and 2.]

*Evidence of Mr. Stephens.*

CLAUDE MORSE STEPHENS states that his office address was 29 King William street, E. C., and he agreed to "Robert Irving & Co." using his offices at £5 (\$25.00) a month. He did not know who "Robert Irving & Co." were. He never saw anybody connected with the firm except the stenographer, Miss Phillips. "When she left she took everything with her and brought them back next morning. They remained one month." [Tr. p. 221.]

*Evidence of Mr. Wood.*

CHARLES WOOD was a lawyer (solicitor). He acted as secretary for Brucefield Collieries (one of the bogus companies) which had a contract with the Dunsmuir family for the purchase of the Collieries for £30,000 (\$150,000.00). He states that a deposit of £1500 (\$7500.00) was paid, which money he got from the Anglo-African Corporation Ltd. The purchase was not completed by the 9th of August, 1935, on which date he resigned.

He further states as follows:

“I pointed out to Stanley Grove Spiro that it was necessary before debentures could be issued that the lease of the colliery should be extended to 31 years to make it registerable, and that the purchase price be paid. Spiro was very annoyed and suggested I was putting things in the way. Letters came signed by Samuel Taylor and he did most of the telephoning.”

Then he speaks about how they wished to issue debentures before they had paid for the property; and he says that they, Samuel Taylor and Stanley Grove Spiro, insisted on the debentures being issued. So he resigned in writing on the 9th of August.

“Since June, 1935, they had been urging the issue of debentures. I knew that debenture notes had been printed. Samuel Taylor told me:

“I received by post a book of interest warrants on the 8th of August, 1935. I handed it over as it came. I handed it over to Samuel Taylor in my office.” [Tr. pp. 202 to 205, pars. 1 to 7.]

*Evidence of Mr. Waters.*

BENJAMIN WATERS was an official of the London General Postoffice. He gives particulars of the long distance telephone calls made from certain of the “bucket-shop addresses” to certain of the victimized customers. [Tr. pp. 215 to 217, pars. 1 to 3.]

E. TESTIMONY OF NINE (9) VICTIMIZED CUSTOMERS  
OF THE "BUCKET-SHOP."

Although it was fully admitted by counsel for appellee and found by both Commissioner Head [Tr. pp. 352, 353] and Judge Hollzer [Tr. p. 162] that the alleged crimes had been committed, and that the only substantial question to be decided was as to the complicity in the said crimes of the appellee, nevertheless it is necessary for a full understanding of the case to state the evidence of the nine witnesses hereinafter set forth who were some of the defrauded customers victimized by Maclean & Henderson and Bunt & Co., the two principal firm names under which the "bucket-shop" carried on business.

*Evidence of Mr. Turner.*

JOHN HENRY TURNER, who resided at Oxford states that he had had transactions with Maclean & Henderson since 1897 and they had always been satisfactory until a transaction in February, 1935.

In February, 1935, he received a letter from Maclean & Henderson, followed by a call from a man who gave the name of "J. Elphinstone," (but it was not John William Robert Elphinstone or William Underhill or Samuel Taylor), who called upon Turner as an old client and said that the firm had a long and honorable association and had something good to offer. He strongly recommended the Scottish Gas Utilities Corporation Ltd. (one of the bogus companies in which "Alex Graham" held 7,000 shares in his true name of Alexander Strakosch) [Tr. p. 218, par. 3], which he said was doing a good business.

Mr. Turner arranged that Maclean & Henderson should sell for him 300 London & Manchester Life Assurance

Company shares (the value being £5,025/0/0 (\$25,125.00) [Tr. p. 260] and he received a contract note for Scottish Gas Utilities Corporation debentures in the amount of £5,300/0/0 (\$26,500.00).

About a month later he became uneasy and went and saw "Elphinstone" at 36 New Broad street. It was not John William Robert Elphinstone. He telephoned to Samuel Taylor at 5 Suffolk street and Mr. Turner called upon Taylor at that address, who told him it was a good security. Turner pressed for a balance sheet of the corporation, but was never able to get one. He received three dividends, the last one in July, 1936. The shares were worthless. [Tr. pp. 192 to 195, pars. 1 to 9.]

*Evidence of Mr. East.*

REGINALD HARRY EAST, who resided at Gorleston-on-Sea states that early in 1935 he began to receive each week a copy of the "Weekly Financial Review" from Maclean & Henderson and in June, 1935 he sent to them a list of his investments for their advice and shortly afterwards on the 17th of June, 1935 a man who gave the name of "Royston" (Spiro) called on him. He advised East to sell certain of his securities and strongly recommended him to put the proceeds into Scottish Gas Utilities Corporation Ltd. and Brucefield Collieries Ltd. (two of the bogus companies) and Mr. East gave him instructions to sell shares to the value of £17,000/0/0 (approximately \$85,000.00) and invest the proceeds in those two concerns.

On the same day, shortly after "Royston" left, Mr. East attempted by telephoning Maclean & Henderson in London to cancel his instructions to "Royston" but was informed that they had already been acted upon. He



received Scottish Gas Utilities 5½% notes to the nominal value of £6,500/0/0 (\$32,500.00) and a certificate for £10,245/0/0 (approximately \$51,000.00) Brucefield Collieries Ltd. debentures. He received warrants for interest on the Scottish Gas in June, 1935, January, 1936 and June, 1936, but had received no interest since and the securities were valueless. In August, 1935 he received interest for a full year on his holdings in Brucefield Collieries Ltd. in the form of a check from Maclean & Henderson.

In February, 1936 Mr. East instructed Maclean & Henderson to buy for him £800/0/0 (\$4,000.00) Lipton debentures and provided the money to pay for them but he has never received this stock.

A little later, Mr. East instructed Maclean & Henderson to buy 300 Great Universal Stores Ltd. shares and received a contract note purporting to show that this had been done and he paid for them £791/19/6 (\$3960.00) but has never received the shares. On several occasions Mr. East wrote to Maclean & Henderson about the non-delivery of the Lipton stock and Great Universal shares and was informed by letter from Maclean & Henderson that they had been purchased through Messrs. S. R. Bunt & Co. "who are a very old and respectable firm of stockbrokers" and that they (Maclean & Henderson) were bringing pressure to bear on Bunt & Co. to deliver the certificates and were going to institute legal proceedings against Bunt & Co. and finally he was told that Bunt & Co. had sent Maclean & Henderson a check covering the amount involved and Maclean & Henderson promised to send their own check for the amount. Mr. East says, "This check I never received and I am informed and believe that the firm of S. R. Bunt & Co. was another firm controlled by Stanley

Grove Spiro through one Samuel Taylor, who was a close associate of Spiro's and who is now being prosecuted for conspiracy with Spiro, Strakosch and others to defraud the clients of Maclean & Henderson.

"I have lost through my dealings with Maclean & Henderson in all about £19,000" (approximately \$95,000.00). [Tr. pp. 195-198, pars. 1 to 11.]

*Evidence of Mr. Daniel.*

PETER DANIEL, of Upper Wimpole street, London, states that in the summer of 1935 his wife received from time to time a paper called "Financial Review" coming from Maclean & Henderson and he sent to that firm a list of investments and asked their advice.

He received a letter from Maclean & Henderson in July, 1935 and later the same month he got a telephone message followed by a call from a man who gave the name of "Royston" and whom he now knows in the name of Stanley Grove Spiro. He has seen him as Spiro and was present when Spiro was served with the writ.

"Royston" advised Mr. Daniel to invest in mortgage debentures and said that he would find suitable debentures for Mr. Daniel. Mr. Daniel on the advice of Spiro handed over to Maclean & Henderson on various dates securities to a total value of £10,271/1/10 (\$51,355.00) which were sold, as shown by the statement which he received from Maclean & Henderson. [Tr. p. 202.] Mr. Daniel received from Maclean & Henderson contract notes purporting to show that with the moneys derived from these sales, securities of about an equivalent value had been purchased on his behalf, but he did not receive any securities.

Mr. Daniel in the course of his dealings with Spiro had been told by Spiro that if he rang up Maclean & Henderson and was unable to get in touch with him, he was to ask for "*Graham*" and to deal with no one else; "Mr. Graham is, I verily believe, Strakosch" [Tr. p. 201, par. 7]; therefore, having received no certificates for these securities which he had been expecting, Mr. Daniel rang up Maclean & Henderson and spoke to "*Graham*." "*Graham*" made the excuse that the certificates were often held up, although he must have known that no securities had ever been purchased for Daniel. Mr. Daniel subsequently wrote to the firm, but never had any satisfaction, and never received any of the securities stated to have been purchased for him. [Tr. pp. 199 to 202, pars. 1 to 9.]

The fact that "*Graham*" and Mr. Daniel were both residents of London and that Daniel called "*Graham*" at the office of Maclean & Henderson in the usual way on the telephone and was answered by a man who said he was "*Graham*" and that the conversation between them referred to the business of Daniel with Maclean & Henderson is sufficient *prima facie* evidence to prove the identity of "*Graham*" as the person holding the conversation with Daniel.

*Union Construction Co. v. Western Union Telegraph Co.*, 163 Cal. 298, at p. 306; 125 Pac. 242, at p. 245;

*Eastman v. Means*, 75 Cal. App. 537, at p. 538; 242 Pac. 1089, at p. 1090.

"*Graham*" must have known at the time he talked to Daniel that no purchases had been made by Maclean & Henderson on behalf of Daniel, since there was no mention of any purchase on behalf of Daniel in Daniel's

account in the books of Maclean & Henderson [Dep. Owen Williams, Tr. p. 236, par. 5], and everyone who has access to the books is charged with knowledge of their contents.

*Silkworth v. United States*, 10 Fed. (2d) 711, at p. 720.

*Evidence of Mr. Plater.*

FRANK PLATER, who resided at Birmingham, states that on the 28th of July, 1936, he received a letter from Maclean & Henderson, recommending him to buy shares of John Brown & Co. Ltd. and he gave them instructions to purchase 50 of those shares and sent them a check for £88/0/6 (\$440.00) in payment. He subsequently telephoned to Maclean & Henderson and was answered by a man who gave the name of "Richards" and who said he was the manager of Maclean & Henderson. "Richards" suggested that Mr. Plater should sell the shares in John Brown & Co. Ltd. and invest in Gold Reefs of West Africa (one of the bogus companies). This was on August 11th, 1936. Mr. Plater therefore gave instructions to sell his shares in Brown & Co. and to reinvest the proceeds in Gold Reefs of West Africa Ltd. Mr. Plater later received a letter dated 29th of August, 1936 from a firm named "Irving & Co." a name adopted by the "bucket-shop", offering to buy his Gold Reefs at a profit of one shilling and one and one-half pence per share. Mr. Plater then spoke to "Richards" on the telephone who advised Mr. Plater not to sell and recommended him to buy more Gold Reefs. Mr. Plater asked "Richards" what he knew about "Irving & Co." and "Richards" said he had no knowledge of them at all. [Tr. pp. 214, 215, pars. 1 to 6.]

*Evidence of Mr. Scott.*

WILLIAM SCOTT, who resided in Ayrshire, Scotland, was an old customer of Maclean & Henderson. On the 3rd of April, 1936 Mr. Scott received a telephone call from the London office of Maclean & Henderson, the speaker giving his name as "Richards" and suggested that Mr. Scott should purchase shares in Associated Electrical Industries to which Mr. Scott agreed and sent his check for £242/13/6 (\$1213.00) for the purchase of 100 shares.

On the 22nd of April, 1936 Mr. Scott received another telephone call from "Richards" who advised him to sell his Associated Electrical Industries shares and to re-invest in Gold Reefs of West Africa shares (one of the bogus companies). "Richards" said that the firm of Maclean & Henderson had inside knowledge of this mine and that the shares were in no way speculative and were a sound investment.

Mr. Scott agreed to the sale of his Associated Electrical Industries shares and the re-investment of his money in 185 Gold Reefs of West Africa shares at a price of 25 shillings for a one pound share. These shares in the following month were split into shares of five shillings each.

Mr. Scott had a similar transaction with Maclean & Henderson in May, 1936 when he bought Imperial Chemical shares on the advice of "Richards" but before taking them up he was advised by "Richards" to sell and re-invest in Gold Reefs. Accordingly he bought more Gold Reefs.

Early in July he gave instructions for the sale of his Gold Reefs, but they were not sold.

Towards the end of August, Mr. Scott received a letter from "Robert Irving & Co." offering to buy his Gold Reef shares at a profit, but on his asking the advice of Maclean & Henderson they advised Mr. Scott on no account to accept this offer.

On the 7th of September, 1936 "Richards" again telephoned Mr. Scott and advised him to buy further Gold Reefs, stating that the reports were wonderful and that the shares would be listed shortly. In October, 1936 Maclean & Henderson obtained two checks from Mr. Scott for the sum of £375/3/6 (\$1875.00) for the purpose of buying more Gold Reefs, on the advice of "Richards."

In October, 1936 "Stanley" (Spiro) of Maclean & Henderson advised Mr. Scott to purchase further Gold Reefs, but he refused to do so.

On the 13th of November, 1936, Mr. Scott received a telephone call from "Richards" stating that the West African Mining Corporation had acquired control of Gold Reefs of West Africa and suggested that Mr. Scott should transfer his Gold Reefs to West African Mining Corporation shares at a price of eight shillings and six pence a share which Mr. Scott agreed to do and received two contract notes covering the transaction, and on January 28, 1937 Mr. Scott received a transfer of 3,000 shares in West African Mining Corporation out of the name of "*Alexander Graham.*" Both the Gold Reefs and West African shares are valueless. [Tr. pp. 205 to 208, pars. 1 to 11.]

*Evidence of Mr. Russell.*

JOHN COOPER RUSSELL, who resided in Southport, Lancashire, states that in May, 1936, a man giving the name of "Richards" of Maclean & Henderson rang him up on the telephone and as a result he had one or two dealings in well known industrial shares. Early in May "Richards" rang up on the telephone and advised Mr. Russell to buy Gold Reefs of West Africa shares. He said they were very good shares and would be on the market in a short time and as a result Mr. Russell bought 185 one pound shares at 25 shillings each. "Richards" rang him up periodically and advised him to increase his holdings in Gold Reefs of West Africa. In all, between May and October, 1936 Mr. Russell purchased 18,105 shares in Gold Reefs of West Africa.

On November 13th, 1936 he received a telephone call from "Richards" who told Mr. Russell that a concern called the West African Mining Corporation were going to buy half the shares of Gold Reefs of West Africa at a price of eight shillings and six pence a share. As this showed a profit to Mr. Russell of two shillings and three pence a share he instructed "Richards" to sell all his shares. The following day Mr. Russell received a contract note, purporting to show that these shares had been sold, but instead of receiving the price he received a contract note for the purchase of an exactly similar number of shares in West African Mining Corporation at the same price of eight shillings and six pence a share. The shares of Gold Reefs of West Africa and the West African Mining Company were quite worthless and as a consequence of his dealings with Maclean & Henderson, Mr. Russell lost the sum of £5,714/3/3 (\$28,570.00). [Tr. pp. 208 to 211, pars. 1 to 11.]

*Evidence of Mr. Fothergill.*

WILLIAM FOTHERGILL, who resided in Liverpool, states that early in the year 1935 he received a communication from the firm of Maclean & Henderson and had since received from them from time to time a paper called the "Weekly Financial Review."

In May, 1936 Mr. Fothergill received a telephone call from "Richards" who said he was the manager of the London office of Maclean & Henderson. He advised Mr. Fothergill to buy Associated Electrical shares and as a consequence Mr. Fothergill sent them a check for £232/1/0 (\$1160.00) to pay for the shares. Before he had taken up the shares, he received another telephone call from "Richards" who strongly advised him to buy Gold Reefs of West Africa instead, to which recommendation he acceded.

On or about the 30th of August, 1936, Mr. Fothergill received a letter from "Robert Irving & Co." of 29 King William street, offering to buy his shares in Gold Reefs at a profit to him of one shilling, one and one-half pence, which made him think that the shares were going up in value. On the following day, 31st of August, 1936 he received a telephone call from "Richards" strongly advising him to purchase further Gold Reefs which he did and sent Maclean & Henderson a check for £158/3/6 (\$790.00) to purchase 500 more shares.

On the 19th of October, 1936, Mr. Fothergill received a visit from a man who gave the name of "Mortimer" and as a result of his recommendation he sent a check for £700/0/0 (\$3500.00) to Maclean & Henderson covering the purchase of a further 2,217 shares in Gold Reefs of West Africa.



On the 27th of October, 1936, Mr. Fothergill received a further visit from "Mortimer" who told him that a London bank was prepared to buy any shares of Gold Reefs of West Africa which he held at 10 shillings a share. Mr. Fothergill was thus persuaded to sell 430 Mexican Eagle shares and invest the proceeds in a further 2,250 Gold Reefs of West Africa. In all, he was persuaded to buy 5692 worthless shares in the Gold Reefs of West Africa at a cost of about £1800/0/0 (\$9,000.00).

After seeing an article in the "Investors Chronicle and Money Market Review" Mr. Fothergill on the 9th of November, 1936 called at 36 New Broad street and asked to see the manager, Mr. "Richards" but was unable to see him or Mr. "Mortimer." Neither of these persons have ever been traced. [Tr. pp. 211 to 214, pars. 1 to 9.]

*Evidence of Mr Jackson.*

FRANCIS JACKSON, who resided in Yorkshire, was an old customer of S. R. Bunt & Co. He states that in 1936 he began to receive a publication called the "Stock Market News" from that firm. On the 20th of October, 1936 he received a telephone call from S. R. Bunt & Co. and spoke to a man who gave the name of "Stanley." "Stanley" (Spiro) said Mr. Jackson was an old customer of the firm. He was anxious to start business with him again and recommended the purchase of Hawker Aircraft shares, which Mr. Jackson agreed to purchase and sent a check to

S. R. Bunt & Co. for £337/8/6 (\$1685.00) to purchase these shares, but before the transaction was completed "Stanley" (Spiro) rang Mr. Jackson up again and suggested that Mr. Jackson should invest in Gold Reefs of West Africa shares instead, which Mr. Jackson agreed to do.

On the 4th of November, 1936 a man giving the name of "Mortimer" called on Mr. Jackson and produced a letter of authority from Bunt & Co. and told Mr. Jackson that Gold Reefs of West Africa shares had gone up in price to eight shillings and six pence a share and advised Mr. Jackson to sell his Gold Reefs and purchase West African Mining Corporation shares, which Mr. Jackson agreed to do and sent Bunt & Co. a check for £795/0/0 (\$3975.00), the balance due from him on the transaction.

Later Mr. Jackson had a further call from "Mortimer" who said that as Mr. Jackson was an old customer of the firm they had reserved 10,000 West African Mining Corporation shares for him, which were worth considerably more than their present price. As a result of this and other inducements on the part of "Mortimer" Jackson agreed to purchase a further 7,000 shares in West African Mining Corporation and gave "Mortimer" a check for £2,975/0/0 (\$14,875.00) and he received a letter dated February 1, 1937 enclosing two certified transfers of 10,000 West African Mining Corporation shares out of the name of "*Alexander Graham.*" [Tr. pp. 240 to 242, pars. 1 to 7.]

*Evidence of Mr. Row.*

CHARLES HENRY ROW, who resided in Long Melford, Suffolk, states that he was an old customer of S. R. Bunt & Co. and that on the 20th of October, 1936 he received a telephone call from S. R. Bunt & Co. but no name was given except that of the firm, but the speaker advised Mr. Row to buy Hawker Aircraft shares, which he agreed to do and sent a check for £202/13/6 (\$1,000.00) to pay for 120 of the shares.

Before the matter was completed, Bunt & Co. again rang up Mr. Row on the phone and advised him to purchase Gold Reefs of West Africa instead.

On the 9th of November, 1936 Mr. Row received a visit from a man who gave the name of "Mortimer" and produced an authority signed S. R. Bunt & Co. authorizing him to represent that firm. He strongly advised the purchase of 5,000 West African Mining Corporation shares and Mr. Row gave Bunt & Co. a check for £170/0/0 (\$850.00) in connection with the purchase of those shares.

Mr. Row agreed to buy 1,000 shares in the West African Mining Corporation and received a transfer of them out of the name of "*Alex Graham*," his signature being witnessed by someone giving the address, No. 36 New Broad street, E. C. Both Gold Reefs of West Africa and West African Mining shares are perfectly worthless.

That on the 16th day of February, 1937 Mr. Row wrote a letter to S. R. Bunt & Co. which was returned through the Dead-Letter Office. [Tr. pp. 242 to 244, pars. 1 to 9.]

The three following witnesses testified as to the financial transactions carried on by Spiro, the appellee Strakosch, alias "*Graham*" and Taylor.

*Evidence of Mr. Jones.*

ALEXANDER MICHAEL JONES states that he was managing director of a company named the Mills Conduit Investments Ltd. of 16 Conduit street, London. In April, 1936 they let the third and fourth floors of 16 Conduit street to Stanley Grove Spiro. The rent was £250/0/0 (\$1250.00) a year, payable in advance. Spiro came to the premises frequently. He knows Samuel Taylor and "*Alex Graham*." He first met Spiro about August, 1934. Stanley Grove Spiro was the proprietor of Maclean & Henderson and borrowed money from time to time on short dated loans from Mills Conduit Investments Ltd. and deposited certificates and transfers for the loans, and the stock was sold on his instructions and the loan paid off.

During the period between the 24th of August, 1934 and 29th of January, 1937 Mills Conduit Investment Company Ltd. paid Maclean & Henderson a number of checks by way of advances.

Sometime in the early part of 1936, Spiro brought in "*Alex Graham*" and introduced him as his assistant, said that he (Spiro) was going abroad and asked that should "*Alex Graham*" be wanting any money, Mr. Jones was to let him have it and he (Spiro) would be responsible for it

He introduced Samuel Taylor to Mr. Jones in the same way.

“*Alex Graham*” deposited Maclean & Henderson checks as collateral security. The actual checks paid to Stanley Grove Spiro, “*Alex Graham*” and Samuel Taylor in connection with the loans were produced at the trial of Samuel Taylor, John William Robert Elphinstone and William Underhill. [Tr. pp. 231 to 233, pars. 1 to 8.]

*Evidence of Mr. Kerman.*

DAVID KERMAN was the managing director of Dunn Trust Ltd. of Hanover Square, London. In the early part of 1934 he met Stanley Grove Spiro. From the beginning of January, 1935 his company advanced money to Spiro in large sums for short dates. They were handed securities in the form of stocks and shares with blank transfers. He had seen a bundle of checks, mostly made out to Stanley Grove Spiro. The total amount of the checks is £95,000/0/0 (\$475,000.00). Spiro said he was substantially in control of both Maclean & Henderson and S. R. Bunt & Co.

In the early summer of 1936 Spiro introduced both “*Alex Graham*” and Samuel Taylor to Mr. Kerman and told him that they were his assistants and in charge of his office while he was abroad. One or two transactions were carried out with “*Alex Graham*” and Samuel Taylor.

The actual checks paid to Stanley Grove Spiro, “*Alex Graham*” and Samuel Taylor in connection with these loans were produced at the trial of Samuel Taylor, John William Robert Elphinstone and William Underhill. [Tr. pp. 233, 234, pars. 1 to 6.]

*Evidence of Mr. Williams.*

OWEN WYATT WILLIAMS is a chartered accountant. He states that he had access to the various books of Maclean & Henderson and had seen their banking accounts. No cash book had been found. In the Clients Ledger he examined the accounts in the name of John Henry Turner, Reginald Harry East, Peter Daniel, William Fothergill, Frank Plater, John Cooper Russell and William Scott and found that in certain cases transactions which they had referred to were not in the books at all.

In the account of John Henry Turner there was no mention of the sale on his behalf of 300 London & Manchester Assurance Co. Ltd. shares, nor of the purchase of £5,300/0/0 (\$26,500.00) Scottish Gas Utilities Corporation Ltd. notes. There was a reference only to a difference of £5/1/0 (\$25.00) in connection with this sale and purchase.

In the account of Reginald Harry East no mention is made of the sale of securities on June 17th, 1935 to the value of over £17,000/0/0 (\$85,000.00), nor is there any mention of the purchase of £800/0/0 (\$4,000.00) Lipton Ltd. 4½% Debentures on 3rd February, 1936 or on any date.

In the account of Peter Daniel there is no reference to the sale of 850 Allied Newspapers shares, 400 Thomas Tilling & Sons shares, 650 Gaumont British 4½% First Debentures, 1,000 Carbo Platers shares, or 500 Ideal Building Preference shares, though in the account of Mills Conduit Investments Ltd. with Maclean & Henderson there is a reference to a sale of these shares on 30th October, 1935 and the account further shows that a check for the proceeds of this sale was sent to Mills Conduit Invest-

ments Ltd. There are other omissions of sales in the account of Peter Daniel and *there is no mention of any purchase on his behalf.*

In the account of William Fothergill in Maclean & Henderson's Clients Ledger there is no mention of the receipt from him of three checks of £232/1/0 (\$1160.00), £158/3/6 (\$790.00), or £700/0/9 (\$3500.00), respectively, nor is there any mention of the sale on his behalf of 430 Mexican Eagle shares. There is no mention at all of any purchase of Gold Reefs of West Africa shares on his behalf.

There is no account at all in the Clients Ledger of Maclean & Henderson in the name of Frank Plater.

In the Clients Ledger of Maclean & Henderson there is no mention in the account of John Cooper Russell of the sale on the 20th of October, 1936, or at any time, of 210 Hallamshire Coal Supply shares, 100 Brooks & Doxey Ltd. shares, 120 Hinsley Park Colliery shares, 1515 Wigan Coal & Iron shares and 930 J. Compton Sons & Webb Ltd. shares, nor is there any mention of any purchase of Gold Reefs of West Africa shares on behalf of John Cooper Russell.

In the account of William Scott there is no mention of the receipt from him of a check for £242/13/6 (\$1210.00) in April, 1936 or at any time, nor of a check for £300/0/0 (\$1500.00) in October, 1936 or at any time, nor of a check for £75/3/6 (\$375.00) in November 1936 or at any time. There is no reference to any purchase on behalf of William Scott of Gold Reefs of West Africa shares. There is also no mention of the sale of Gold Reefs of West Africa shares and the purchase of West African

Mining Corporation shares on 13th November, 1936 or at any time.

Mr. Williams states that he had examined the banking account of Scottish Gas Utilities Corp. Ltd. On the 31st December, 1934, at a date when payment of interest on Debentures and 5½% Notes was due, the balance in the account was only thirteen shillings and five pence (\$3.00).

On the 3rd of January, 1935 a check for £3,030/0/0 (\$15,150.00) was paid into the Scottish Gas Utilities Corporation account from the Anglo African Corporation (Spiro's *alter ego*).

The account of the Anglo African Corporation on the day before this check was paid had in it a credit balance of only £17/7/3 (\$86.00) but on the 2nd January, 1935 a check for £4,032/0/0 (\$20,160.00) from the account of Maclean & Henderson went into the Anglo African Corporation account. It will thus be seen that the source of the payment of interest by the Scottish Gas Utilities Corporation in January, 1935 was from Maclean & Henderson.

On July 1st, 1935, being the next date when interest on the Scottish Gas Utilities Corporation Debentures and Notes became due, the Scottish Gas Utilities Corporation had a credit balance of only £13/16/11 (\$65.00).

On 5th July, 1935 two checks for the total value of £2,297/10/0 (\$11,485.00) drawn by the Dunn Trust Ltd. to Stanley Grove Spiro were paid into the account of Scottish Gas Utilities Corporation. These checks which are referred to amongst others by David Kerman in his deposition were advances to Stanley Grove Spiro.

A similar transaction was carried through on the 3rd of January, 1936 through the Mills Conduit Investments Ltd. at a time when the credit balance of Scottish Gas



Utilities Corporation current account consisted of ten shillings and eleven pence.

At no time after the beginning of 1935 does the current account of the Scottish Gas Utilities Corporation with Barclays Bank show the receipt of any substantial sums other than those above referred to.

Mr. Williams states that he had investigated a series of transactions between Stanley Grove Spiro and the Mills Conduit Investments Ltd. and between Stanley Grove Spiro and the Dunn Trust Ltd. That in each case Spiro appeared to be acting throughout on behalf of Maclean & Henderson.

In the transactions with Mills Conduit Investments Ltd. Stanley Grove Spiro, "*Alex Graham*" (otherwise Strakosch), and Samuel Taylor received a large number of checks by way of advances between August, 1934 and September, 1936. The total value of these checks was £189,585/10/6 (\$947,925.00). That 116 of these checks representing a total value of over £137,000/0/0 (\$685,000.00) were converted into cash and checks to the value of over £19,000/0/0 (\$95,000.00) were paid to the Anglo African Corporation Ltd. (Spiro's *alter ego*).

In the series of similar transactions with the Dunn Trust Ltd. between January, 1935 and February, 1937, Stanley Grove Spiro and his two associates, "*Alex Graham*" (otherwise Strakosch) and Samuel Taylor received checks to the total amount of £95,848/13/8 (\$479,240.00) and that 58 of these checks were converted into cash, representing a total value of over £64,000/0/0 (\$320,000.00) and checks to the value of over £13,500/0/0 (\$67,500.00) were paid to the Anglo African Corporation Ltd. [Tr. pp. 234 to 239, pars. 1 to 16.]

*Evidence of Mr. Gankerseer.*

THOMAS GANKERSEER, a detective inspector of the City of London Police gives a description of the accused Alexander Strakosch, alias "*Alex Graham*" and identified his photograph which is marked "2" and is on page 223 of the record certified by the clerk of the District Court. [Tr. pp. 246, 247.]

*Evidence of Mr. Clayton.*

EDWIN CLAYTON, a lawyer (solicitor), as an expert in criminal law, sets out the pertinent provisions of the English Larceny Act of 1916 (6 and 7 George V, Chapter 50, English Law Reports, Statutes 1916, p. 139), embracing the charges upon which the warrant for the arrest of the appellee was issued, as follows:

Section 32 of the Larceny Act, 1916, by subsection (1) provides that every person who by any false pretence with intent to defraud, obtains from any other person any chattel, moneys or valuable security, or causes or procures any money to be paid, or any chattel or valuable security to be delivered to himself or to any other person for the use or benefit or on account of himself or any other person, shall be guilty of a misdemeanor and on conviction thereof liable to penal servitude for any term not exceeding five years.

Section 20 of the Larceny Act, 1916, by subsection (1) (iv) (a) provides that every person who being entrusted either solely or jointly with any other person with any

property in order that he may retain in safe custody or apply, pay, or deliver, for any purpose or to any person, the property or any part thereof or any proceeds thereof; fraudulently converts to his own use or benefit, or the use or benefit of any other person, the property or any part thereof or any proceeds thereof shall be guilty of a misdemeanor and on conviction thereof liable to penal servitude for any term not exceeding seven years.

Section 20 of the Larceny Act, 1916, by subsection (1) (iv) (b) provides that every person who having either solely or jointly with any other person received any property for or on account of any other person; fraudulently converts to his own use and benefit, or the use or benefit of any other person, the property or any part thereof or any proceeds thereof; shall be guilty of a misdemeanor and on conviction thereof liable to penal servitude for any term not exceeding seven years.

By section 46 of the Larceny Act, 1916, "property" includes any description of real and personal property and all deeds and instruments relating to or evidencing the title or right to any property, and includes not only such property as has been in the possession or under the control of any person, but also any property into or for which the same has been converted or exchanged; and by the same section of the same act "valuable security" includes any writing entitling or evidencing the title of any person to any share in any company, or any order or security for the payment of money. [Tr. pp. 244 to 246, pars. 2 to 5.]

### Evidence Implicating Appellee in the Frauds.

In December, 1934, "*Graham*" was present with "Stanley" (Spiro) when arrangements were made with Mr. Sancha for renting the office at No. 36 New Broad street for Maclean & Henderson [Dep. Luis Sancha, Tr. p. 184, par. 2]. "*Graham*" was also present in April, 1936 when the agreement was signed for renting the office at 1 Royal Exchange avenue [Tr. p. 239, par. 2], where the business was carried on under the firm name of S. R. Bunt & Co. [Tr. p. 185, par. 4.]

In January, 1935 "*Graham*" took Miss Phillips, who had been engaged as a stenographer, from 5 Suffolk street (Spiro's office) to work for Maclean & Henderson at New Broad street. She was working there alone for a couple of days, "*Graham*" giving her the instructions. Afterwards, Underhill came [Tr. p. 222, pars. 2 and 3] but it is evident that "*Graham*" was the superior of Underhill, because in April, 1936, "*Graham*" called William Underhill and Miss Phillips into the inner office where he simply told Underhill that Miss Phillips was going to work for S. R. Bunt & Co. at 1 Royal Exchange avenue and immediately "*Graham*" and Miss Phillips went to the latter address. During the time that Miss Phillips was at Maclean & Henderson's "*Graham*" was at that office almost every day and dictated letters; "*Graham*" also used to ask for a telephone line and get his own numbers. [Tr. pp. 222, 223, pars. 5 and 6.] The fact that "*Graham*" did not ask Miss Phillips who operated the switchboard to call customers for him so that she would not know what name he used in talking to them is a suspicious circumstance.

After "*Graham*" took Miss Phillips from the office of Maclean & Henderson to the office of Bunt & Co. he also

*gave her the orders* at the Bunt office, opened and dictated letters and took away some of the correspondence.

“*Graham*” went on a holiday in August, 1936 and then the correspondence of Bunt & Co. was sent to Spiro’s office at 5 Suffolk street. [Tr. pp. 223, 224, par. 9.]

“*Alex Graham*” also *told Miss Phillips* to go to an office in King William street where the “bucket-shop” carried on business under the name of “Irving & Co.” and she took all the correspondence from there to 5 Suffolk street, Spiro’s office. [Tr. p. 224, par. 11.]

“*Graham*” and Spiro both dictated letters at Spiro’s office at 5 Suffolk street with regard to the business of both Maclean & Henderson and Bunt & Co. The letter-heads of both concerns being kept there for that purpose. [Tr. p. 226, pars. 4, 5.]

In April, 1936, Spiro rented more offices at 16 Conduit street from the Mills Conduit Investments Ltd. [Tr. p. 231, pars. 1 and 2], the company with which the “bucket-shop” did so much financing [Tr. p. 238, par. 15], and in May, 1936 Miss Watson, a stenographer who had been employed at 5 Suffolk street was sent to the offices at 16 Conduit street to work; “*Graham*” who was also there *paid* Miss Watson her wages and after Miss Watson had been a week at the Conduit street office “*Graham*” *took* Miss Watson to the office of Maclean & Henderson in New Broad street. [Tr. pp. 227, 228, pars. 1 to 3.]

Thus it is shown that “*Graham*” was working hand in hand with Spiro, was present at at least five different addresses carrying on the “bucket-shop” business, writing letters, telephoning, taking the correspondence away from the various offices and moving the stenographers about from office to office. If an honest business was being

carried on, no sane person can suggest that five different offices were necessary or indeed more than one office. In addition to this, the fact that appellee used an assumed name and in telephoning did not allow the switchboard operator to call his numbers, so that he might use with impunity any assumed name in talking to a customer point to a desire to conceal his identity and raise a "strong suspicion" of guilt. Assuming a fictitious name is evidence of guilt.

*Curreri v. Vice*, 77 Fed. (2d) 130, at p. 133;

*People v. Arnold*, 199 Cal. 471, at p. 492; 250 Pac. 168.

"Graham" gave orders to the printer, Mildner, to print the Weekly Financial Review which was issued by Maclean & Henderson and the Stock Market News which was issued by Bunt & Co. and paid him for the printing in notes (cash). [Tr. pp. 191, 192, pars. 1 to 5.]

These publications were sent out to the victimized customers. [Tr. pp. 195, par. 2; 199, par. 2; 211, par. 2; 214, par. 2, and 240, par. 2.]

Spiro told Peter Daniel, one of the customers of Maclean & Henderson that if he rang up Maclean & Henderson and was unable to get in touch with him (Spiro) he was to ask for "Mr. Graham" and to deal with no one else.

Early in the month of December, 1935 Daniel rang up Maclean & Henderson and spoke to "Graham," asking about certificates for purchases of stocks on the 9th and 29th of October for which he had received contract notes; those purchases amounted to £7,377/13/0 (\$36,885.00) and "Graham" made the excuse that the certificates were often held up [Tr. pp. 200 and 201, pars. 6 and 7], al-

though he must have known that no stock at all had ever been purchased on behalf of Peter Daniel by Maclean & Henderson. [Tr. p. 236, par. 5.]

The books of Maclean & Henderson make no mention of any purchases whatever on behalf of Peter Daniel [Tr. p. 236, par. 5] and everyone who has access to the books is charged with knowledge of their contents.

*Chadwick v. United States*, 141 Fed. 225; 72 C. C. A. 343;

*Silkworth v. United States*, 10 Fed. (2d) 711, at p. 720.

“Graham” was the owner of the West African Mining Corporation Ltd., one of the bogus companies. He held 170,000 shares out of a total of 170,471 shares issued.

The secretary certified the whole of these 170,000 shares out of Graham’s name [Tr. pp. 218, 219, 220, pars. 1 to 7], some of these directly to the defrauded customers.

William Scott, after receiving telephone calls from “Richards” of Maclean & Henderson strongly recommending to him the purchase of these shares, did purchase such shares and received a transfer of the 3,000 shares of the West African Mining Corporation Ltd. purchased by him out of the name of “Alexander Graham.” [Tr. pp. 207, 208, pars. 10 and 11.]

Francis Jackson after a visit paid him by “Mortimer” of S. R. Bunt & Co., who stated that 10,000 shares of the West African Mining Corporation Ltd. had been reserved for Mr. Jackson as an old customer of S. R. Bunt & Co., agreed to purchase the 10,000 shares and re-

ceived a transfer of the 10,000 shares of the West African Mining Corporation Ltd. purchased by him *out of the name of "Alexander Graham."* [Tr. pp. 241, 242, pars. 4 and 5.]

Charles Henry Row, an old customer of S. R. Bunt & Co., received a visit from "Mortimer" of S. R. Bunt & Co., and on the persuasion of "Mortimer" Row agreed to purchase 1,000 shares in the West African Mining Corporation and later received a transfer of those shares *out of the name of "Alexander Graham."* [Tr. pp. 243, 244, pars. 5 to 7.]

These sales were made on a basis of eight shillings and six pence a share. Inasmuch as Graham disposed of all of his 170,000 shares of the West African Mining Corporation, he must have netted a very considerable sum on the sale of this bogus stock, as the evidence showed "*Graham*" received some of the proceeds of the fraudulent transactions. [Tr. p. 232, pars. 5 and 6; p. 234, pars. 5 and 6; p. 238, par. 15; p. 239, par. 16.]

John Cooper Russell on the recommendation of "Richards" of Maclean & Henderson purchased 18,105 shares of the West African Mining Corporation and on November 14th, 1936, received a contract note for that number of shares [Tr. pp. 208 to 211, pars. 1 to 11], although at that date the total share capital of the company did not exceed 4,000 shares of the nominal value of 5 shillings each. [Tr. p. 190, par. 5.]

These facts give rise to a strong suspicion that "*Graham*," alias Strakosch, assumed the fictitious names of "Richards" and "Mortimer" for the purpose of concealing his identity in making these representations and certainly point to the participation of "*Graham*" in these frauds.



Further evidence that "*Graham*" owned and controlled this West African Mining Corporation is furnished by Mr. Engel, the secretary of the company, who said that Hickman told him that "*Graham*" had said he would supply sufficient funds to work the company; that on the 21st of January, 1937, the nominal directors of the company resigned and "*Graham*" took over the company; that "*Graham*" gave him instructions to get new offices and he found some which were not suitable; and "*Graham*" said that he had found some and they then moved into 7 Gresham street, E. C., London. [Tr. p. 219. pars. 4 and 5.]

"*Graham*" also owned 7,000 shares of stock in the Scottish Gas Utilities Corporation Ltd., another of the bogus companies.

The Mills Conduit Investments Ltd. and the Dunn Trust Co. Ltd. were two finance companies from which the "bucket-shop" borrowed money by pledging its customers' securities and by this means turned those securities into cash, which the "bucket-shop" in turn misappropriated. [Tr. pp. 231 to 239.]

"*Alexander Graham*" in the early part of 1936 was introduced by Spiro as his assistant, to Mr. Jones, the managing director of Mills Conduit Investments Ltd. Spiro stated that he was going abroad and told Mr. Jones that if "*Alex Graham*" wanted any money he was to let him have it and he (Spiro) would be responsible for it. "*Graham*," who was present, did not deny his association with Spiro. [Tr. p. 232, pars. 4 and 5.]

In accordance with these instructions of Spiro advances were made to "*Alex Graham*." [Tr. pp. 232, 233, pars. 6 and 8.]

Between August, 1934, and September, 1936, "*Graham*," Spiro and Taylor received advances by way of checks from Mills Conduit Investments Ltd. in the total amount of £189,585/10/6 (\$947,925.00). Of these checks, 116 representing a total value of over £137,000/0/0 (\$685,000.00) were converted into cash and checks to the value of over £19,000/0/0 (\$95,000.00) were paid to the Anglo-African Corporation Ltd. (Spiro's *alter ego*). [Tr. pp. 238 and 239, par. 15.]

"*Alex Graham*" and Samuel Taylor in the early summer of 1936 were also introduced by Spiro as his assistants and in charge of his office while he was abroad, to Mr. Kerman, the managing director of Dunn Trust, Ltd., and in accordance with this arrangement money was advanced by the Dunn Trust, Ltd., to "*Alex Graham*" on the customers' securities. [Tr. p. 234, pars. 5 and 6.]

Between January, 1935, and February, 1937, "*Graham*," Spiro and Taylor received checks from Dunn Trust, Ltd., in the total amount of £95,848/13/8 (\$479,240.00) of which 58 checks amounting to £64,000/0/0 (\$320,000.00) were converted into cash and £13,500/0/0 (\$67,500.00) was paid to the Anglo-African Corporation Ltd. (Spiro's *alter ego*). [Tr. p. 239, par. 16.]

All these checks received by "*Graham*," Spiro and Taylor and the Anglo-African Corporation (Spiro's *alter ego*) amounted to £285,434/4/15 (\$1,427,170.00). 174 of these checks, representing a total of £201,000/0/0 (\$1,005,000.00) were converted into cash, and checks to the value of £32,500/0/0 (\$162,500.00) in American money were paid over to the Anglo-African Corporation (Spiro's *alter ego*).

By a simple computation of arithmetic it is evident that appellee "*Graham*," Spiro and Taylor converted their clients' securities into cash to the amount of at least £233,500/0/0 or approximately \$1,167,500.00 in American money, which they never accounted for.

### Conclusion.

It was proved by the depositions which were before the Commissioner that appellee Strakosch, alias "*Graham*" was present at all five addresses of the "bucket-shop," and actually participated in the business transacted thereat.

"*Graham*" was present when the arrangements were made for renting the offices of Maclean & Henderson and of Bunt & Co.; also was present at Spiro's office at 5 Suffolk street; also at 16 Conduit street and 29 King William street, the office of "Irving & Co.;" "*Graham*" assumed authority over the office force, taking the stenographers from one office to another, paying their salaries; giving instructions and dictating letters at the various offices; he used different addresses for sending out circulars; dictated letters at Spiro's office which were written on the letter-heads of both Maclean & Henderson and Bunt & Co.; talked to customers on the telephone; was closely associated with the bogus companies; was the owner of one of the bogus companies and had all the shares in his name and transferred the shares out of his name into those of the defrauded customers, and permitted himself to be personally introduced by Spiro to the two finance companies, Mills Conduit Investment Co. and Dunn Trust Co. as Spiro's assistant, and actually pledged the customers' securities with those firms and personally received advances of money from those companies by

means of those securities, which monies are unaccounted for.

All these acts of appellee, coupled with his use of an assumed name and the fact of his close association with Spiro, an admitted criminal and the ring-leader of the group of malefactors cannot but warrant a strong suspicion of appellee's guilty participation in the general fraudulent schemes of the "bucket-shop" group, and of his personally profiting thereby.

It is submitted that, having regard to the fact that the appellee had a very full and careful hearing before the Commissioner, when appellee had the opportunity to testify, but did not choose to avail himself of it, and having regard to the well settled law as follows:

1. The weight of the evidence is for the Commissioner alone to decide.

*Curreri v. Vice*, 77 Fed. (2d) 130 at p. 134.

2. The writ of *habeas corpus* cannot take the place of a writ of error and is not a means for rehearing what the Commissioner has already decided.

*Fernandez v. Phillips*, 268 U. S. (1924) 311, at p. 312.

3. Therefore the Court on a writ of *habeas corpus* will not weigh the evidence.

*Hyde v. Shine*, 199 U. S. (1904) 62 at p. 84;

*McNamara v. Henkel*, 226 U. S. (1912) 520 at p. 524.

4. The Court, on a writ of *habeas corpus* will only consider whether there was *any legal evidence* at all upon which the Commissioner *could* decide that there was evidence sufficient to justify appellee's commitment for extradition.

*Bryant v. United States*, 167 U. S. (1897) 104 at p. 105.

5. The Court will not consider whether the evidence before the Commissioner was sufficient or insufficient to warrant his conclusion.

*Terlinden v. Ames*, 184 U. S. (1901) 270 at p. 278.

6. It is *only in the event of there being no substantial evidence at all* calling for the judgment of the Commissioner as to whether he would or would not certify and commit under the statute, and that therefore as a matter of law he had no jurisdiction over the subject matter, that his action is open to review on *habeas corpus*.

*Ornelas v. Ruiz*, 161 U. S. (1896) 502.

7. And finally, having regard to the recent decision of this Court in *Curreri v. Vice*, 77 Fed. (2d) (1935) 130, in which it is laid down that it is not even necessary to prove a *prima facie* case of guilt, but "*merely facts tending to show participation*" (*ibid.* at p. 134), and that there need only be before the Commissioner "such a state of facts as would lead a man of ordinary caution and prudence to entertain a *strong suspicion* that the person

accused is guilty” (*ibid* at p. 131), it is submitted that the depositions that were before Commissioner David B. Head proved such facts as justified, if not compelled, his entertaining a strong suspicion of the appellee’s guilty participation in the frauds as a member of the group of malefactors, and his commitment of said appellee for extradition.

Therefore, appellant prays that the judgment and order of the Honorable Judge Harry A. Hollzer be reversed and that appellee be remanded to the custody of the United States Marshal to await the further order of the Secretary of State.

Respectfully submitted,

S. T. HANKEY,

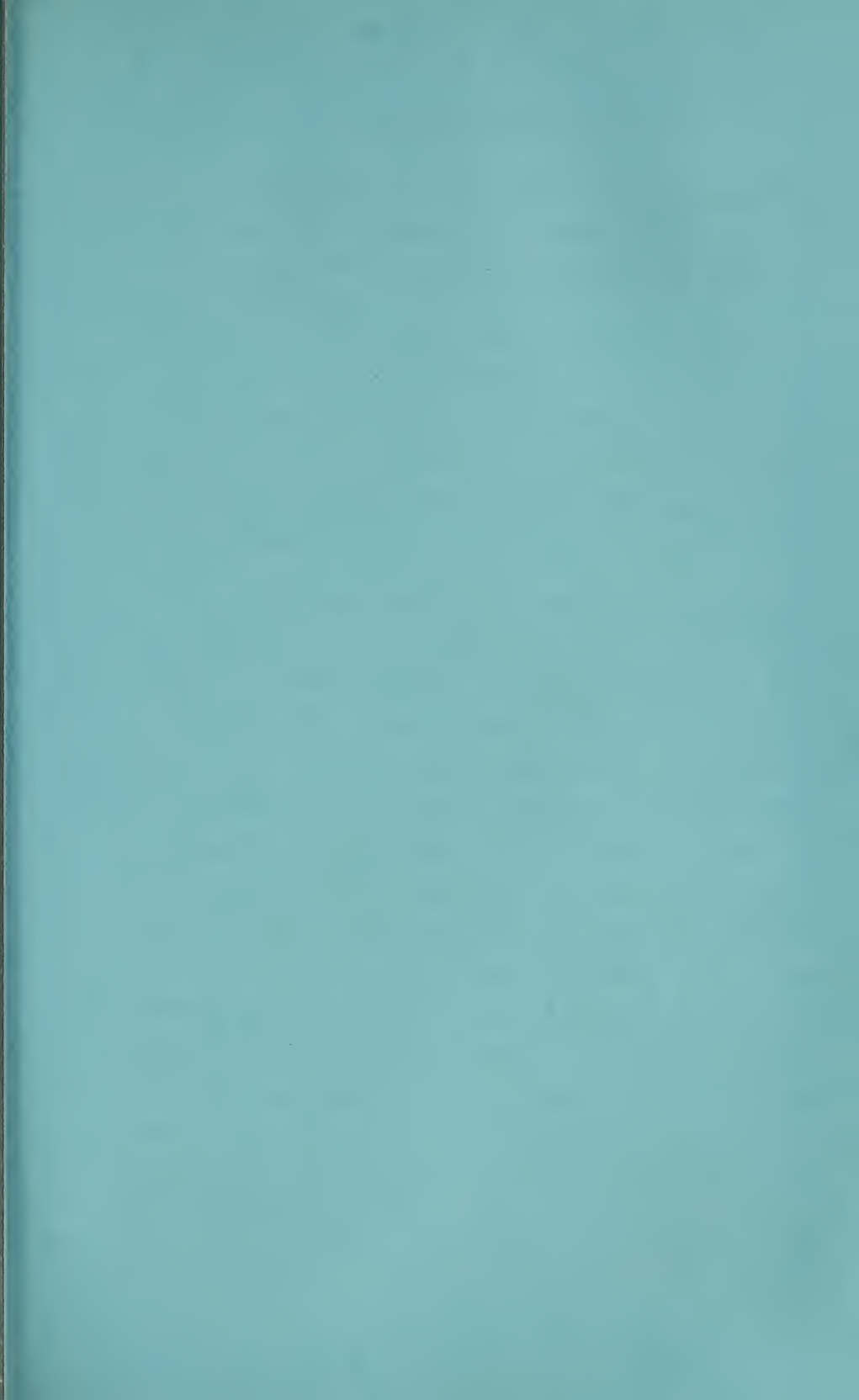
F. J. FINUCANE,

*Attorneys for Appellant, United States of America ex  
rel., Francis E. Evans, as British Consul for the  
Southern District of California and for Arizona.*

S. T. HANKEY,

G. HAROLD JANEWAY,

*Of Counsel.*







## APPENDIX A.

Details of the Crimes With Which the Accused Appellee, Alex Graham, Otherwise Strakosch, Is Charged by the Second Amended Complaint [Tr. pp. 74 to 86].

### VIII-A.

That it appears from the said depositions that the particulars of the crimes and offences against the said Larceny Act 1916 of Great Britain committed by the said Accused are as follows:

1. (a) That said Accused and said Stanley Grove Spiro on or about the 8th day of February, 1935, in the City of London, with intent to defraud, caused or procured to be delivered by John Henry Turner to Maclean & Henderson, for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, certain valuable securities, to-wit, 300 shares in the London and Manchester Assurance Co. Ltd., of the value of £5,025, by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C. and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that the Debentures and 5½% £100 Notes of the Scottish Gas Utilities Corporation Limited were a sound investment, contrary to section 32 (1) of the Larceny Act, 1916.

2. (b) That the said Accused and said Stanley Grove Spiro, on or about the 17th day of June, 1935, in the City of London, with intent to defraud, caused or procured to be delivered by Reginald Harry East to Maclean & Henderson, for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, certain valuable securities, to-wit, 500 Associated British Pictures Preference shares, 1,000 Barclay Perkins & Co., Ordinary shares, 300 Benskin's Watford Brewery Ordinary shares, 900 Coronation Syndicate Ltd. 2s/6d. shares, 300 Daily Mirror newspaper 8% preference shares, 300 Fremlin's Ltd. Ordinary shares, 1,000 Gamage Ordinary shares, 1,000 Gold Producers Fixed Trust (1st Series) Sub-units, 500 Great Universal Stores 5s/0 Ordinary shares, 312 Ind Coope & Co. Ordinary shares, £1,000 London County Council 4½% stock, 600 Meux's Brewery Ordinary shares, 700 County Council 4½% stock, 600 Meux's Brewery Ordinary shares, 700 National Fixed Trust "B" Sub-Units, 1205 Smith's Potato Crisps Ordinary shares, 1,000 Tarkwa Banket West 1s/0 shares, 400 Taylor Walker & Co. Ordinary shares, and 1,050 Peter Walker & Robert Cain Ordinary shares, together of the value of £17,000, by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that £100 Debentures in

Brucefield Collieries, Ltd. were a sound investment, and that they were then worth £100, and that 5½% £100 Notes of the Scottish Gas Utilities Corporation, Ltd. were a sound investment, contrary to section 32 (1) of the Larceny Act, 1916.

3. (c-1) That the said Accused and said Stanley Grove Spiro, in or about the month of February, 1936, in the City of London, being entrusted by Reginald Harry East with certain property, to-wit, £791/19/6, in order that they might apply it to the purchase of 300 Great Universal Stores, Ltd. shares, fraudulently converted the same to the use and benefit of themselves, the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, contrary to section 20 (1) (iv.) (a) of the Larceny Act, 1916.

4. (c-2) That the said Accused and the said Stanley Grove Spiro, in the month of February, 1936, in the City of London, being entrusted by Reginald Harry East with certain property, to-wit £800 in order that they might apply it to the purchase of £800 Lipton Ltd. 4½% Debentures, fraudulently converted the same to the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, contrary to section 20 (1) (iv) (a) of the Larceny Act, 1916.

5. (d) That the said Accused and said Stanley Grove Spiro, in the City of London, with intent to defraud, caused or procured to be delivered by Peter Daniel to Maclean & Henderson for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise

Strakosch) and of Maclean & Henderson, certain valuable securities, to-wit, on August 12th, 55 Nat. Canning Ord. of the value of £63/4/6; on the 23rd of August 1060 Ever Ready Ord of the value of £1152/12/0; £1180 4% Consols of the value of £1137/13/6, £50 3½% War Stock of the value of £52/5/9, £500 2½% India Stock of the value of £351/16/6; on Oct. 9th, 100 Bats 6% Pref. of the value of £143/11/6, 321 Bats. Ord. of the value of £1759/5/7; on Oct. 29th—Yorksh. Amalg. Prod. Deb. of the value of £383/19/9, 850 Allied Newspaper Ord. of the value of £1269/10/0, 1000 Carbo Plaster Ord. of the value of £271/16/6, 500 Ideal Building 5% Cum. Pref. of the value of £434/6/6, 160 Brit. Shareholders Ord. of the value of £254/9/0, £650 Gaumont Brit. Deb. of the value of £599/13/0, 400 Thomas Tilling Ord. of the value of £1194/17/0, all of the total value of £9,271/1/10, and all in the year 1935 by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, contrary to section 32 (1) of the Larceny Act, 1916.

6. (e) That the said Accused and the said Stanley Grove Spiro on or about the 9th day of October, 1935, in the City of London having received certain property, to-wit, a cheque for the payment of £1,000 for and on account of Peter Daniel, fraudulently converted the same and the proceeds thereof to the use and benefit of themselves

the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, contrary to section 20 (1) (iv) (b) of the Larceny Act, 1916.

7. (f) That the said Accused and the said Stanley Grove Spiro at some date between July 28th, 1936 and August 11th, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by Frank Plater to Maclean & Henderson, for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, a certain valuable security, to-wit, a cheque for the payment of £88/0/6, by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, contrary to section 32 (1) of the Larceny Act, 1916.

8. (g-1) That the said Accused and the said Stanley Grove Spiro, on or about the 3rd day of April 1936, in the City of London, with intent to defraud, caused or procured to be delivered by William Scott to Maclean & Henderson, for the use and benefit of themselves, the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, a certain valuable security, to-wit, a cheque for the payment of £242/13/6 by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and

that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that the shares in Gold Reefs of West Africa Ltd. were a sound investment and increasing in value, contrary to section 32 (1) of the Larceny Act, 1916.

9. (g-2) That the said Accused and the said Stanley Grove Spiro, on or about the 28th day of May, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by William Scott to Maclean & Henderson, for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson certain monies, to-wit, the sum of £375 by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that the shares in Gold Reefs of West Africa Ltd., were a sound investment and increasing in value, contrary to section 32 (1) of the Larceny Act, 1916.

10. (g-3) That the said Accused and the said Stanley Grove Spiro on or about the 1st day of December, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by William Scott to Maclean & Henderson, for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, certain valuable securities, to-wit, two checks in the total amount of

£375/3/6, by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that the 5s/0 shares in Gold Reefs of West Africa Ltd. were a sound investment and increasing in value, and that they were then worth 7s/0 a share, contrary to section 32 (1) of the Larceny Act, 1916.

11. (h) That the said Accused and the said Stanley Grove Spiro, on or about the 20th day of October, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by John Cooper Russell to Maclean & Henderson, for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean and Henderson, certain valuable securities, to-wit, 210, Hallamshire Coal Supplies shares, 100 Brooks & Doxey shares, 120 Tinsley Park Colliery shares, 1,515 Wigan Coal & Iron shares, and 936 J. Compton Sons & Webb shares, of a total value of £7,032/0/0 by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that 5s/0 shares in Gold Reefs of West Africa Ltd. were a sound investment, and that they were then worth 6s/3d each, contrary to section 32 (1) of the Larceny Act, 1916.

12. (j-1) That the said Accused and the said Stanley Grove Spiro, in or about the month of May, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by William Fothergill to Maclean & Henderson for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, a certain valuable security, to-wit, a cheque for the payment of £232/1/0, by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that 5s/0 shares in Gold Reefs of West Africa Ltd. were a sound investment, and that they were then worth 6s/3d each, contrary to section 32 (1) of the Larceny Act, 1916.

13. (j-2) That the said Accused and the said Stanley Grove Spiro, on or about the 31st day of August, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by William Fothergill to Maclean & Henderson for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, a certain valuable security, to-wit, a cheque for the payment of £158/3/6 by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares,



and that 5s/0 shares in Gold Reefs of West Africa Ltd. were a sound investment, and that they were then worth 7/4½ each, contrary to section 32 (1) of the Larceny Act, 1916.

14. (j-3) That the said Accused and the said Stanley Grove Spiro, on or about the 20th day of October, 1936, in the city of London, with intent to defraud, caused or procured to be delivered by William Fothergill to Maclean & Henderson for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of Maclean & Henderson, a certain valuable security, to-wit, a cheque for the payment of £700/0/9, by falsely pretending that the said firm of Maclean & Henderson then was carrying on an honest and genuine business as investment brokers at 36, New Broad Street, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that 5s/0 shares in Gold Reefs of West Africa Ltd. were a sound investment, and that they were then worth 7/4½ each, contrary to section 32 (1) of the Larceny Act, 1916.

15. (k-1) That the said Accused and the said Stanley Grove Spiro, on or about the 20th day of October, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by Francis Jackson to S. R. Bunt & Co., for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of S. R. Bunt & Co., a certain valuable security, to-wit, a check for the payment of £337/8/6, by falsely pretending

that the said firm of S. R. Bunt & Co., then was carrying on an honest and genuine business as investment brokers at 1, Royal Exchange Avenue, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that 5s/0 shares in Gold Reefs of West Africa were then worth at least 6/3 a share, contrary to section 32 (1) of the Larceny Act, 1916.

16. (k-2) That the said Accused and the said Stanley Grove Spiro on or about the 4th day of November, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by Francis Jackson to S. R. Bunt & Co., for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of S. R. Bunt and Co., a certain valuable security to-wit, a cheque for the payment of £795, by falsely pretending that the said firm of S. R. Bunt & Co. then was carrying on an honest and genuine business as investment brokers at 1 Royal Exchange Avenue, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that 5s/0 shares in the West African Mining Corporation Ltd. were a sound investment, and that they were then worth at least 8s/6d a share, contrary to section 32 (1) of the Larceny Act, 1916.

17. (k-3) That the said Accused and the said Stanley Grove Spiro, on or about the 1st day of February, 1937, in the City of London, with intent to defraud, caused or procured to be delivered by Francis Jackson to S. R. Bunt &

Co., for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of S. R. Bunt & Co., a certain valuable security, to-wit, a check for the payment of £2,975, by falsely pretending that the said firm of S. R. Bunt & Co., then was carrying on an honest and genuine business as investment brokers at 1 Royal Exchange Avenue, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares, and that 5s/0 shares in the West African Mining Corporation Ltd., were a sound investment, and that they were then worth at least 8s/6d a share, contrary to section 32 (1) of the Larceny Act, 1916.

18. (1-1) That the said Accused and the said Stanley Grove Spiro, on or about the 20th day of October, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by Charles Henry Row to S. R. Bunt & Co., for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of S. R. Bunt & Co. a certain valuable security, to-wit, a cheque for the payment of £202/13/6, by falsely pretending that the said firm of S. R. Bunt & Co. then was carrying on an honest and genuine business as investment brokers at 1, Royal Exchange Avenue, E. C. and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares and that 5s/0 shares in Gold Reefs of West Africa were a sound investment and that they were then worth at least 6/3 a share, contrary to section 32 (1) of the Larceny Act, 1916.

19. (1-2) That the said Accused and the said Stanley Grove Spiro on or about the 9th day of November, 1936, in the City of London, with intent to defraud, caused or procured to be delivered by Charles Henry Row to S. R. Bunt & Co., for the use and benefit of themselves the said Stanley Grove Spiro and Alex Graham (otherwise Strakosch) and of S. R. Bunt & Co. a certain valuable security, to-wit, a cheque for the payment of £170, by falsely pretending that the said firm of S. R. Bunt & Co. then was carrying on an honest and genuine business as investment brokers at 1, Royal Exchange Avenue, E. C., and that the said firm then was prepared to give honest advice as to the purchase and sale of stocks and shares and that 5s/0 shares in the West African Mining Corporation Ltd., were a sound investment and they were then worth at least 8s/6d a share, contrary to section 32 (1) of the Larceny Act, 1916.

## APPENDIX B.

### Assignments of Errors on Which Appellant Relies.

3. That the District Court erred in concluding, as to the offence described in the Second Amended Complaint, to-wit, para. VIII-a, subdivision a thereof, namely an offense with respect to John Henry Turner, that at no time did respondent directly or indirectly make any representations to said Turner, or otherwise deal with him.

4. The District Court erred in concluding, as to the offences described in the Second Amended Complaint, to-wit, para. VIII-a, subdivisions (b), (c-1) and (c-2) thereof, namely offences committed with respect to Reginald Harry East, that at no time did respondent directly or indirectly make any representation to said East or otherwise deal with him.

5. The District Court erred in concluding, as to the offences described in the Second Amended Complaint, to-wit, para. VIII-a, subdivisions (d) and (e) thereof, namely offences committed with respect to Peter Daniel, that at no time did respondent directly or indirectly make any other representations to said Daniel, except when said Daniel was inquiring for securities which he had bought, respondent informed him the securities were often held up, and that respondent did not otherwise deal with said Daniel.

6. The District Court erred in concluding, as to the offence described in the Second Amended Complaint, to-wit, para. VIII-a, subdivision (f) thereof, namely an offence committed with respect to Frank Plater, that at no time did respondent directly or indirectly make any representation to said Plater or otherwise deal with him.

7. The District Court erred in concluding, as to the offences described in the Second Amended Complaint, to-wit, para. VIII-a, subdivisions (g-1), (g-2) and (g-3) thereof, namely offences committed with respect to William Scott, that at no time did respondent directly or indirectly make any representation to said Scott or otherwise deal with him.

8. The District Court erred in concluding, as to the offence described in the Second Amended Complaint, to-wit, para. VIII-a, subdivision (h) thereof, namely an offence committed with respect to John Cooper Russell, that at no time did respondent directly or indirectly make any representation to said Russell or otherwise deal with him.

9. The District Court erred in concluding, as to the offence described in the Second Amended Complaint, to-wit, para. VIII-a, subdivisions (j-1), (j-2) and (j-3) thereof, namely offences committed with respect to William Fothergill, that at no time did respondent directly or indirectly make any representation to said Fothergill or otherwise deal with him.

10. The District Court erred in concluding, as to the offences described in the Second Amended Complaint, to-wit, para. VIII-a, subdivisions (k-1), (k-2) and (k-3) thereof, namely offences committed with respect to Francis Jackson; that these offences were committed after respondent had left the employ of S. R. Bunt & Co. and that at no time did respondent directly or indirectly make any representation to said Jackson or otherwise deal with him.

11. The District Court erred in concluding, as to the offences described in the Second Amended Complaint, to-wit, para. VIII-a, subdivisions (l-1) and (l-2) thereof,

namely offences committed with respect to Henry Row, that the said offences were committed after respondent had left the employ of S. R. Bunt & Co., and that at no time did respondent directly or indirectly make any representation to said Row or otherwise deal with him.

12. The District Court erred in concluding that respondent did not at any time own, also that he did not at any time represent himself as owning and that he was not at any time held out as owning any interest either in the firm of Maclean & Henderson or in the firm of S. R. Bunt & Co.; also that respondent was not the manager of either of said firms; also that he did not represent either of said firms in any of the transactions relating to the deposit, with either of said firms, of any of the securities or any of the checks or funds by any of the persons mentioned in the Second Amended Complaint; also that he did not receive any of the securities or any of the checks or funds deposited with either of said firms as alleged in said Second Amended Complaint; and also that he did not represent either of said firms in any of the transactions upon which any of the offences described in said Second Amended Complaint are based.

13. The District Court erred in concluding that the evidence presented before the Commissioner was insufficient to justify a finding to the effect that there was a probability that any one of the specific crimes described in said Second Amended Complaint had been directly committed by the respondent or that he had directly participated in the commission of the same.

14. The District Court erred in concluding that the evidence presented before the Commissioner was insufficient to justify a finding to the effect that respondent

had had knowledge of the wrongful purpose of any of the persons engaged in the perpetration of any of the specific crimes described in the Second Amended Complaint and had counseled and encouraged such person in the commission thereof.

15. The District Court erred in concluding that the evidence presented before the Commissioner was insufficient to justify a finding to the effect that a person of ordinary caution and prudence would believe and conscientiously entertain a strong suspicion that the respondent was guilty of any one of the crimes specified in the Second Amended Complaint.

16. The District Court erred in concluding that the evidence presented before the Commissioner was insufficient to justify a finding to the effect that there was reasonable ground to believe that any one of the specific crimes described in the Second Amended Complaint had been committed by respondent or that he had aided and abetted in the commission thereof.

17. The District Court erred in concluding that if the evidence presented before the Commissioner had been presented at a preliminary examination before a committing magistrate in the state of California, for the purpose of determining whether a case was thereby made out which would justify holding the respondent for trial in the Superior Court of said state upon any of the specific crimes described in said Second Amended Complaint, the same would have been insufficient to have justified holding respondent for trial.

18. The District Court erred in concluding that the Commissioner did not have before him competent legal evidence on which to exercise his judgment as to whether



the facts were sufficient to establish the criminality of respondent with respect to any of said crimes, for the purposes of extradition.

19. The District Court erred in not concluding that the evidence presented before the Commissioner was sufficient to justify a finding that there was reasonable ground to believe and that a person of ordinary caution and prudence would believe and conscientiously entertain a strong suspicion that respondent was implicated and participated in the crimes set forth in the Second Amended Complaint.

20. The District Court erred in not concluding that the evidence presented before the Commissioner was sufficient to justify a finding that there was reasonable ground to believe and that a person of ordinary caution and prudence would believe and conscientiously entertain a strong suspicion that respondent aided and abetted Spiro and others in the commission of said crimes set forth in the Second Amended Complaint and was therefore guilty as a principal.

21. The District Court erred in not concluding that the evidence presented before the Commissioner was sufficient to justify a finding that there was reasonable ground to believe and that a person of ordinary caution and prudence would believe and conscientiously entertain a strong suspicion that respondent was one of a group acting in concert to perpetrate the crimes set forth in the Second Amended Complaint and co-operated with Spiro and others in the perpetration of said crimes.

22. The District Court erred in concluding that respondent was entitled to his discharge under the Writ of habeas corpus.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be clearly documented, including the date, amount, and purpose of the transaction. This ensures transparency and allows for easy reconciliation of accounts.

In the second section, the author outlines the various methods used to collect and analyze data. This includes direct observation, interviews with key personnel, and the use of specialized software tools. The goal is to gather comprehensive information that can be used to identify trends and areas for improvement.

The third part of the report focuses on the results of the data analysis. It presents a series of charts and graphs that illustrate the performance of different departments over time. The data shows a general upward trend in productivity, although there are some fluctuations in certain areas.

Finally, the document concludes with a series of recommendations based on the findings. These include implementing new training programs, streamlining processes to reduce waste, and increasing communication between departments. The author believes that these changes will lead to a more efficient and successful organization.